

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE

by and between

COSTANOAN LLC, a Delaware limited liability company,

as Seller

and

CITY AND COUNTY OF SAN FRANCISCO,  
as Buyer

For the purchase and sale of

42 Otis Street  
San Francisco, California

\_\_\_\_\_, 2023

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**AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE**  
(42 Otis Street, San Francisco, CA)

THIS AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE (this “**Agreement**”), dated for reference purposes only as of \_\_\_\_\_, 2023 (the “**Agreement Date**”), is by and between COSTANOAN LLC, a Delaware limited liability company (“**Seller**”), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**Buyer**” or “**City**”).

IN CONSIDERATION of the payment of the non-refundable sum of Ten Dollars and No/100 (\$10.00) by City, the receipt of which is hereby acknowledged by Seller, and the respective agreements contained hereinbelow, Seller and City agree as follows:

**1. PURCHASE AND SALE**

**1.1 Property Included in Sale**

Seller agrees to sell and convey to City, and City agrees to purchase from Seller, subject to the terms, covenants and conditions hereinafter set forth, the following:

(a) the real property consisting of approximately 4,083 square feet of land, located in the City and County of San Francisco, commonly known as the Le Centre located at 42 Otis Street, Assessor Parcel Number Block 3505, Lots 054 through 082, and more particularly described in the attached Exhibit A (the “**Land**”);

(b) all improvements and fixtures located on the Land, including, without limitation, that certain building consisting of 24 studio condominiums, 5 commercial condominiums (which consists of second floor office space and ground floor commercial space), corridors, and courtyard and roof terrace open space, as well as all other buildings and structures located on the Land, all apparatus, equipment and appliances used in connection with the operation or occupancy of the Land and its improvements such as heating and air conditioning systems and facilities used to provide any utility, refrigeration, ventilation, garbage disposal or other services, and together with any and all on-site parking (currently 0 parking spaces) (collectively, the “**Improvements**”);

(c) any and all rights, privileges, and easements incidental or appurtenant to the Land or Improvements, including, without limitation, any and all minerals, oil, gas and other hydrocarbon substances on and under the Land, as well as any and all development rights, air rights, water, water rights, riparian rights and water stock relating to the Land, and any and all easements, rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land or Improvements, and any and all of Seller’s right, title and interest in and to all roads and alleys adjoining or servicing the Land or Improvements (collectively, the “**Appurtenances**”);

(d) the Leases (as defined in Section 5.2);

(e) all personal property owned by Seller, and accepted by City, located on or in or used in connection with the Land or Improvements as described in Exhibit B attached hereto (the “**Personal Property**”). If City requests that Seller remove any existing personal property owned by Seller located on or in or used in connection with the Land, Appurtenances, or Improvements, which request shall be made within a reasonable period of time prior to Closing, Seller shall remove such personal property prior to the Closing Date (as defined in

Section 6.2 (Closing Date)). Unless City has requested such removal, Seller shall not remove any Personal Property subsequent to the Effective Date; and

(f) any intangible personal property now or hereafter owned by Seller and used in the ownership, use or operation of the Land, Improvements, Appurtenances, or Personal Property, including, without limitation, the right to use the name “Le Centre” and any derivation thereof, and any other trade name now used in connection with the Land or Improvements, and, to the extent expressly approved by City pursuant to this Agreement, any contract rights or other agreements or rights relating to the ownership, use and operation of the Land, Improvements or Personal Property or any of the foregoing (collectively, the “**Intangible Property**”).

All of the items referred to in Subsections (a), (b), (c), (d), (e), and (f) above are collectively referred to as the “**Property**.”

## **2. PURCHASE PRICE**

### **2.1 Purchase Price**

The total purchase price for the Property is Fourteen Million Two Hundred Thousand and no/100 Dollars (\$14,200,000.00) (the “**Purchase Price**”).

### **2.2 Deposit**

Within ten (10) business days following the later to occur of the Effective Date (as defined in Section 11.18 (Effective Date) below) or the Homekey Award Date (as defined in Section 2.5 (Project Homekey) below), City will deliver to the Title Company (as defined in Section 3.2 (Title Insurance) below), as escrow agent, Four Hundred Twenty Thousand and no/100 Dollars (\$420,000.00) as an earnest money deposit applicable to the Purchase Price (the “**Deposit**”). The Title Company will deposit the Deposit into an interest-bearing account at a bank or financial institution approved by City in writing, and the term “Deposit” will include any interest earned thereon. Unless this Agreement is terminated and the Deposit disbursed as provided in this Agreement, the Deposit will be applied to the Purchase Price at Closing. If City terminates this Agreement for failure of any condition precedent under this Agreement, then City and Seller will equally share all title fees and escrow cancellation fees and Seller and City will instruct the Title Company to immediately return the Deposit to City. If the sale of the Property is not consummated because of a City default, then City will pay all title fees and escrow cancellation fees and Seller and City will instruct the Title Company to immediately release the Deposit to Seller in accordance with Section 6.8 (City Default and Liquidated Damages) below. If City terminates this Agreement due to a Seller default, then Seller will pay all title fees and escrow cancellation fees and, if City has made the Deposit pursuant to this Section 2.2, then Seller and Buyer will instruct the Title Company to immediately return the Deposit to City.

### **2.3 Payment**

(a) On the Closing Date (as defined in Section 6.2 (Closing Date)), City will pay the Purchase Price, adjusted pursuant to the provisions of Article 7 (Expenses and Taxes), and reduced by any credits due City hereunder.

(b) Seller acknowledges and agrees that if Seller fails at Closing to deliver to City the documents required under Sections 6.3(h) and 6.3(i) (Seller's Delivery of Documents),

City may be required to withhold a portion of the Purchase Price pursuant to Section 1445 of the United States Internal Revenue Code of 1986, as amended (the “**Federal Tax Code**”), or Section 18662 of the California Revenue and Taxation Code (the “**State Tax Code**”). Any amount properly so withheld by City will be deemed to have been paid by City as part of the Purchase Price, and Seller's obligation to consummate the transaction contemplated herein will not be excused or otherwise affected thereby.

## **2.4 Funds**

All payments made by any party hereto will be in legal tender of the United States of America, paid by Controller's warrant or in cash or by wire transfer of immediately available funds to Title Company (as defined in Section 3.2 (Title Insurance)), as escrow agent.

## **2.5 Project Homekey**

Seller acknowledges that City intends to apply for funding from the State of California through the State of California's Project Homekey program (“**Project Homekey**”) to fund all or a portion of the Purchase Price to support the acquisition of the Property. City agrees to keep Seller informed to the extent possible on the Project Homekey process, including the date City submits any application associated with the Project and any feedback received during the application process which may affect City's acquisition of the Property. Seller agrees to use commercially reasonable efforts to cooperate with City during Project Homekey application process.

If City is successful in its Project Homekey application, the date upon which City is formally notified of its award under Project Homekey will be referred to as the “**Homekey Award Date**.” The date upon which Project Homekey funds are transferred into escrow for the Property is referred to as the “**Homekey Funding Date**.” If City is unsuccessful in its application for Project Homekey funding, (i) City may terminate this Agreement without penalty, or (ii) Seller and City may agree (in the sole and absolute discretion of each of them) to an extension to this Agreement to allow for a subsequent Project Homekey application or other funding source.

## **3. TITLE TO THE PROPERTY**

### **3.1 Conveyance of Title to the Property**

At the Closing, Seller will convey to City, or its nominee, marketable and insurable fee simple title to the Land, the Improvements and the Appurtenances, by duly executed and acknowledged grant deed in the form attached hereto as Exhibit C (the “**Deed**”), subject to the Accepted Conditions of Title (as defined in the Due Diligence Agreement and Permit to Enter Property by and between Seller and City dated as of February 7, 2023 (the “**Due Diligence Agreement**”).

### **3.2 Title Insurance**

City is in receipt of that certain preliminary Title Report issued by Stewart Title Guaranty Company Order No. 23000300232 dated April 6, 2023 (the “**Title Report**”). Delivery of title in accordance with the preceding Section will be evidenced by the commitment of Stewart Title Guaranty Company (the “**Title Company**”) to issue to City, or its nominee, an ALTA extended coverage owner's policy of title insurance (Form ALTA 2006 – updated 6/17/2006) (the “**Title**

**Policy**”) in the amount of the Purchase Price, insuring fee simple title to the Land, the Appurtenances and the Improvements in City, or its nominee, free of the liens of any and all deeds of trust, mortgages, assignments of rents, financing statements, rights of tenants or other occupants (except for the tenants under leases approved by City, provided such exception is limited to the interest of such tenants as tenants only without any rights or options to purchase any of the Property), subject only to the Accepted Conditions of Title (as defined in the Due Diligence Agreement). Seller will remove or cure the exceptions objected to by City (the **“Disapproved Exceptions”**) on or before the Closing. In the event that Seller fails to remove the Disapproved Exceptions from title before the Closing Date, and City is unwilling to take title to the Property subject to the Disapproved Exceptions, Seller will be in default under this Agreement and City will have the rights and remedies provided in this Agreement. The Title Policy must provide full coverage against mechanics' and materialmen's liens arising out of the construction, repair or alteration of any of the Property, and contain an affirmative endorsement that there are no violations of restrictive covenants, if any, affecting the Property and such other special endorsements as City may reasonably request.

If an amendment or update to the Title Report is issued which reflects any new exceptions which were not disclosed in the Title Report prior to the Effective Date (**“New Exception”**), City shall have the right to object to any such New Exception by giving written notice to Seller of the New Exception(s) (**“New Exception Notice”**) to which City is objecting within ten (10) business days after the amendment to the Title Report reflecting such New Exception is delivered to City or the Closing Date, whichever is earlier. Seller shall have ten (10) business days after the issuance of a New Exception Notice to provide City with written notice of its election to cure or remove such New Exception prior to Closing (**“New Exception Response”**), in which event such New Exception shall be deemed a Disapproved Exception. If Seller fails to timely deliver a New Exception Response or delivers a New Exception Response electing not to cure or remove the New Exception(s), or Seller agrees to cure or remove the New Exception(s) and fails to do so before Closing, then City shall have ten (10) business days to elect, by delivery of written notice to Seller, to either (a) waive its objection to the New Exception(s) in which case such New Exception(s) shall be deemed an Accepted Condition to Title, or (b) terminate this Agreement, and if City has made the Deposit pursuant to Section 2.2 above, then the Deposit shall be promptly refunded to City. The Closing Date shall be extended as necessary to allow for the foregoing process to occur and to allow the parties to make applicable deliveries into escrow.

### **3.3 Bill of Sale**

At the Closing, Seller will transfer title to the Personal Property listed in Exhibit B attached hereto by bill of sale in the form attached hereto as Exhibit D (the **“Bill of Sale”**), such title to be free of any liens, encumbrances or interests. To the extent possible, any maintenance contract or warranty in connection with the purchase of the Personal Property will be optional (namely, City may, but is not required to, purchase any maintenance contract or warranty), and included in the Assignment of Intangible Property (defined below).

### **3.4 Assignment of Intangible Property**

At the Closing, Seller will transfer title to the Intangible Property by such instruments as City may reasonably determine necessary, including, without limitation, an assignment of Intangible Property in the form attached hereto as Exhibit E (the **“Assignment of Intangible Property”**).

### **3.5 Assignment of Leases**

At the Closing, Seller will transfer its title to the Leases (as defined in Section 5.2 below), if applicable, by an assignment of leases in the form attached hereto as Exhibit F (the “**Assignment of Leases**”), such title to be free of any liens, encumbrances or interests, except for the Accepted Conditions of Title (as defined in the Due Diligence Agreement).

#### **4. BUYER'S DUE DILIGENCE INVESTIGATIONS**

##### **4.1 City's Due Diligence**

As of the date hereof, Seller has given City and/or its Agents a full opportunity to investigate the Property as provided in the Due Diligence Agreement, and Seller has provided the Documents (as defined in the Due Diligence Agreement) to City and its Agents. City has received the Documents and hereby elects to proceed with the transaction contemplated herein subject to the terms and conditions of this Agreement.

#### **5. ENTRY; CONDITIONS TO CLOSING**

##### **5.1 Entry**

During the Due Diligence Period and at all times prior to the Closing Date, Seller shall afford City and its Agents commercially reasonable access to the Property during normal business hours and upon prior written notice to Seller and access to the Documents (as defined in the Due Diligence Agreement) for the purposes of satisfying City with respect to the representations, warranties and covenants of Seller contained herein and the satisfaction of the Conditions Precedent including, without limitation, the drilling of test wells and the taking of soil borings, as described in the Due Diligence Agreement.

##### **5.2 City's Conditions to Closing**

The following are conditions precedent to City's obligation to purchase the Property (collectively, “**City Conditions Precedent**”):

(a) City has reviewed and approved title to the Property, as set forth in Article 3 herein and the Due Diligence Agreement, subject to the Accepted Conditions of Title.

(b) No New Exception has arisen after the Effective Date, or to the extent a New Exception has arisen, City has not elected to terminate this Agreement pursuant to Section 3.2 above.

(c) There has been no material adverse change in the physical or environmental conditions of the Property from the Effective Date to the Closing Date.

(d) There are no material violations of applicable laws, regulations, permits, and approvals (“**Applicable Laws**”) relating to the Property as of the Closing Date.

(e) Intentionally Omitted.

(f) Seller is not in default in the performance of any covenant or agreement to be performed by Seller under this Agreement or the Due Diligence Agreement, and all of Seller's representations and warranties contained in or made pursuant to this Agreement are true and correct both when made and as of the Closing Date. At the Closing, Seller will deliver to City a

certificate certifying that each of Seller's representations and warranties contained in Section 8.1 (Representations and Warranties of Seller) below are true and correct as of the Closing Date.

(g) The physical condition of the Property is substantially the same on the Closing Date as on the Effective Date, reasonable wear and tear and loss by casualty excepted (subject to the provisions of Section 9.1 (Risk of Loss)), and, as of the Closing Date, there is no litigation or administrative agency or other governmental proceeding, pending or threatened in writing, that after the Closing would materially adversely affect the value of the Property or the ability of City to operate the Property for its intended use, and no proceedings are pending or threatened in writing that could or would cause the change, redesignation or other modification of the zoning classification of, or of any building or environmental code requirements applicable to, any of the Property.

(h) Title Company is committed at the Closing to issue to City, or its nominee, the Title Policy as provided in Section 3.2 (Title Insurance).

(i) City has provided Seller prior to the Closing a schedule setting forth a list of all those contracts or agreements that City has elected that Seller will assign to City, and City will assume at Closing (the "**Assumed Contracts**"), together with true and accurate copies of all such documents, and Seller has not entered into or created any new contracts that City has not agreed to assume after delivery of the list of Assumed Contracts to Seller. At or before the Closing, Seller has terminated any contracts or agreements not to be assumed by City, without liability to City, provided City delivered to Seller notice of the contracts and agreements that City does not agree to assume within ten (10) business days prior to the Closing.

(j) Seller has delivered the items described in Section 6.3 below (Seller's Delivery of Documents) in form and substance satisfactory to City.

(k) Title Company has agreed to be the real estate reporting person for the Closing in compliance with the Reporting Requirements (as defined in Section 6.6 below).

(l) Intentionally Omitted.

(m) City has reviewed and approved: (i) all existing and pending commercial and residential leases and any other occupancy agreements that City has elected that Seller will assign to City, and City will assume at Closing, as City has indicated to Seller no later than forty-five (45) days prior to Closing ("**Leases**"), (ii) tenant correspondence files, and (iii) a current rent roll for the Property, prepared by Seller and listing for each tenant the name, location of leased premises, rent, obligation for reimbursement of expenses, amount of security deposit and rent paid more than thirty (30) days in advance, lease commencement date, lease termination date, lease expansion or extension options, option rent, and cost of living or other rent escalation clauses, any free rent, operating expense abatements or other unexpired concessions, and a description of any uncured defaults. At or before the Closing, Seller has terminated any existing and pending leases and other occupancy agreements that City has not agreed to assume, without liability to City, provided City delivered to Seller notice of Leases it does not agree to assume within a reasonable time prior to the Closing.

(n) Seller has obtained and delivered to City, before the Closing Date, tenant estoppel certificates in form and substance satisfactory to City from any and all commercial and/or residential tenants occupying any portion of the Property. Such certificates shall be substantially in the forms attached hereto as Exhibit G and shall be dated no earlier than thirty (30) days prior to the Closing Date. Notwithstanding the foregoing, to the extent Seller is unable, despite its commercially reasonable efforts, to obtain estoppel certificates from all

tenants occupying any portion of the Property, City will have the right, in its sole (but good faith) discretion, to accept an estoppel certificate from Seller certifying the lease information, or to waive in writing this requirement for one or more tenants.

(o) Prior to the Effective Date, the City's Mayor and the Board of Supervisors, in the respective sole discretion of each, shall have enacted a resolution or an ordinance, as applicable, approving, adopting and authorizing this Agreement and the transaction contemplated herein.

(p) City has successfully obtained Project Homekey funding from the State of California to fund all or a portion of the Purchase Price, such funds have been transferred into escrow for the Property, and all applicable Project Homekey conditions related to the Property have been met.

(q) Seller has complied with all applicable requirements of Chapter 41B of the San Francisco Administrative Code (Community Opportunity to Purchase Act) ("COPA"), and no Qualified Nonprofit (as defined under COPA) shall have exercised the right of first refusal to purchase the Property conferred upon Qualified Nonprofits by Section 41B.7 of COPA.

The City Conditions Precedent are solely for the benefit of City. If any City Condition Precedent is not satisfied, City will have the right in its sole discretion either to waive in writing the City Condition Precedent in question and proceed with the purchase or, in the alternative, terminate this Agreement. The waiver of any City Condition Precedent will not relieve Seller of any liability or obligation with respect to any representation, warranty, covenant, or agreement of Seller. If one or more City Condition Precedents has not been satisfied, but may be satisfied with additional time, then City may extend Closing Date, at City's option, for a reasonable period of time specified by City, but not to exceed thirty (30) days without Seller's written consent, to allow such City Conditions Precedent to be satisfied, subject to City's further right to terminate this Agreement upon the expiration of the period of any such extension if all City Conditions Precedent have not been satisfied.

### **5.3 Seller's Conditions to Closing**

The following are conditions precedent to Seller's obligation to sell the Property (collectively, "**Seller's Conditions Precedent**"):

(a) City is not in default in the performance of any covenant or agreement to be performed by City under this Agreement or the Due Diligence Agreement, and all of City's representations and warranties contained in or made pursuant to this Agreement are true and correct both when made and as of the Closing Date.

(b) Prior to the Effective Date, the City's Mayor and the Board of Supervisors, in the respective sole discretion of each, shall have enacted a resolution or an ordinance, as applicable, approving, adopting and authorizing this Agreement and the transaction contemplated herein.

The Seller's Conditions Precedent are solely for the benefit of Seller. If any Seller Conditions Precedent is not satisfied, Seller will have the right in its sole discretion either to waive in writing the Seller Condition Precedent in question and proceed with the sale, or in the alternative, terminate this Agreement. If one or more Seller Condition Precedent has not been satisfied, but may be satisfied with additional time, then Seller may extend the Closing Date, at Seller's option, for a reasonable period of time specified by Seller, but not to exceed thirty (30)

days without City's written consent, to allow such Seller Conditions Precedent to be satisfied, subject to Seller's further right to terminate this Agreement upon expiration of the period of any such extension if all Seller Conditions Precedent have not been satisfied.

#### **5.4 Cooperation with City**

Seller will cooperate with City and do all acts as may be reasonably requested by City with regard to the fulfillment of any City Conditions Precedent including, without limitation, execution of any documents, applications or permits, but Seller's representations and warranties to City will not be affected or released by City's waiver or fulfillment of any City Condition Precedent. Seller hereby irrevocably authorizes City and its Agents to make all inquiries with and applications to any person or entity, including, without limitation, any regulatory authority with jurisdiction as City may reasonably require to complete its due diligence investigations.

#### **5.5 Map Act Compliance**

The parties acknowledge that the conveyance of the Property is exempt from the California Subdivision Map Act under Government Code section 66428; therefore, compliance with the Subdivision Map Act is not a condition precedent to Closing.

#### **5.6 COPA**

Seller and City each acknowledge that City's purchase of the Property will not occur if a Qualified Nonprofit exercises the right of first refusal conferred by Section 41B.7 of COPA, if applicable, and in the event of such exercise this Agreement shall automatically terminate.

#### **5.6 Leases**

As of the Effective Date, and in recognition of the unique circumstances surrounding the Property, Seller will not enter into any new leases at the Property without City's express approval, except for Leases of individual residential units at the Property with individuals or households referred to Seller by City or by an organization that works with homeless individuals and/or individuals who are at risk of homelessness ("**Target Individuals**"). Within ten (10) days after entering into any new lease with any Target Individual, but in no event later than five (5) days prior to the Closing Date, Seller shall notify City of such new lease and provide a copy of the lease to the City. Seller acknowledges that Target Individuals are preferred by the City as tenants, as the City intends to lease units to Target Individuals after acquiring the Property, and Seller intends to focus its leasing efforts on Target Individuals.

### **6. ESCROW AND CLOSING**

#### **6.1 Opening of Escrow**

Within three (3) days of the Effective Date, the parties will open escrow by depositing an executed counterpart of this Agreement with Title Company, and this Agreement will serve as instructions to Title Company as the escrow holder for consummation of the purchase and sale contemplated under this Agreement. Seller and City will execute such additional or supplementary instructions as may be appropriate to enable the escrow holder to comply with the terms of this Agreement and close the transaction; provided, however, that in the event of any conflict between the provisions of this Agreement and any additional supplementary instructions, the terms of this Agreement will control.

## 6.2 Closing Date

The consummation of the purchase and sale contemplated under this Agreement (the “Closing”) is expected to be held, and delivery of all items to be made at the Closing under the terms of this Agreement will be made, at the offices of Title Company located at 100 Pine Street, Suite 450, San Francisco, CA 94111, ninety (90) days after the later of the Homekey Award Date or the Effective Date (“**Anticipated Closing Date**”) or on such other date as City and Seller may mutually agree in writing (the actual date of Closing, the “**Closing Date**”); provided, however, that City or Seller may extend the Closing Date (for any reason) for ninety (90) days upon written notice to the other party. Seller agrees that the timing requirements under Project Homekey, including an obligation to close escrow before a certain date, may accelerate or postpone the Closing Date. So long as the Deposit has been paid pursuant to Section 2.2 above, Seller agrees to reasonably cooperate with this process, subject to receiving sufficient advance notice in writing from Buyer to coordinate defeasance of Seller's existing financing.

Notwithstanding the foregoing, if the Homekey Award Date has not occurred by October 31, 2023 (“**Outside Homekey Award Date**”), Seller would have the right to terminate this Agreement without penalty. Notwithstanding, Seller and Buyer may agree in writing to extend the Outside Homekey Award Date.

The Closing Date may not otherwise be extended without the prior written approval of both Seller and City, except as otherwise expressly provided in this Agreement. If the Closing does not occur on or before the Anticipated Closing Date, Title Company will, unless it is notified by both parties to the contrary, within five (5) days after the Anticipated Closing Date, return to the depositor any items that may have been deposited into escrow. Any such return will not, however, limit the provisions of this Agreement or otherwise relieve either party of any liability it may have for its wrongful failure to close. In no circumstances shall the Closing Date occur prior to the Effective Date or the Homekey Funding Date.

## 6.3 Seller's Delivery of Documents

At or before the Closing, Seller will deliver to City, or City’s nominee, through escrow, the following:

- (a) a duly executed and acknowledged Deed in the form attached hereto as Exhibit C;
- (b) a duly executed Bill of Sale for the Personal Property, if any, in the form attached hereto as Exhibit D;
- (c) a Certificate from the Secretary of State or other appropriate government official of the State of California indicating that, as of the Closing Date, there are no filings against Seller in the office of the Secretary of State or other government official under the Uniform Commercial Code of such State which would be a lien on any of the items specified in the Bill of Sale (other than such filings, if any, as are being released at the time of the Closing);
- (d) four (4) duly executed and acknowledged counterparts of the Assignment of Leases in the form attached hereto as Exhibit F;
- (e) duly executed tenant estoppel certificates as required pursuant to Section 5.1(m) hereof in the forms attached hereto as Exhibit G;
- (f) four (4) duly executed counterparts of the Assignment of Intangible

Property in the form attached hereto as Exhibit E;

(g) originals (or copies where originals are unavailable) of the Documents, Leases, and Assumed Contracts and any other items relating to the ownership or operation of the Property not previously delivered to City;

(h) a properly executed affidavit pursuant to Section 1445(b)(2) of the Federal Tax Code in the form attached hereto as Exhibit H, and on which City is entitled to rely, that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code;

(i) a properly executed California Franchise Tax Board Form 593C certifying that Seller is a California resident if Seller is an individual or Seller has a permanent place of business in California or is qualified to do business in California if Seller is a corporation or other evidence satisfactory to City that Seller is exempt from the withholding requirements of Section 18662 of the State Tax Code;

(j) such resolutions, authorizations, or other limited liability company documents or agreements relating to Seller and its members as the Title Company may reasonably require to demonstrate the authority of Seller to enter into this Agreement and consummate the transactions contemplated by this Agreement, and such proof of the power and authority of the individuals executing any documents or other instruments on behalf of Seller to act for and bind Seller;

(k) a closing statement in form and content satisfactory to City and Seller;

(l) the duly executed certificate regarding the continued accuracy of Seller's representations and warranties as required by Section 5.2(e) above; and

(m) A statement executed by Seller certifying to City (i) all defaults, if any, which then exist on the part of any party to any Lease or Assumed Contract in any obligations for the payment of money under the applicable Lease or Assumed Contract; and (ii) all defaults, if any, which then exist on the part of any party to any Lease or Assumed Contract in any obligations under the applicable Lease or Assumed Contract other than obligations for the payment of money and for which a written notice of default has been given or received.

#### **6.4 City's Delivery of Documents and Funds**

At or before the Closing, City, or its nominee, will deliver to Seller through escrow the following:

(a) an executed certificate of acceptance of the Deed executed by City's Director of Property;

(b) four (4) duly executed and acknowledged counterparts of the Assignment of Leases in the form attached hereto as Exhibit F;

(c) four (4) duly executed counterparts of the Assignment of Intangible Property in the form attached hereto as Exhibit E;

(d) a closing statement in form and content satisfactory to City and Seller; and

(e) the Purchase Price, as provided in Article 2 hereof, subject to adjustment as provided in Section 7.

### **6.5 Other Documents; Tax Apportionment**

Seller and City will each deposit such other instruments as are reasonably required by Title Company as escrow holder or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms of this Agreement. On or before the Closing Date, City will deliver to the Title Company a statement for delivery to the County Tax Assessor in the form attached as Exhibit J (the “**Apportionment Notice**”). Upon Closing, the Title Company will insert the Closing Date in the Apportionment Notice and send the Apportionment Notice to the County Tax Assessor and County Auditor in the county in which the Property is located.

### **6.6 Title Company as Real Estate Reporting Person**

Section 6045(e) of the United States Internal Revenue Code of 1986 and the regulations promulgated thereunder (collectively, the “**Reporting Requirements**”) require that certain information be made to the United States Internal Revenue Service, and a statement to be furnished to Seller, in connection with the Closing. Seller and City agree that if the Closing occurs, Title Company will be the party responsible for closing the transaction contemplated in this Agreement and is hereby designated as the real estate reporting person (as defined in the Reporting Requirements) for such transaction. Title Company will perform all duties required of the real estate reporting person for the Closing under the Reporting Requirements, and Seller and City will each timely furnish Title Company with any information reasonably requested by Title Company and necessary for the performance of its duties under the Reporting Requirements with respect to the Closing.

### **6.7 Seller Default**

If the sale of the Property is not consummated because of a Seller default under this Agreement or the Due Diligence Agreement, which such default Seller has not cured within ten (10) business days after receipt of written notice from the City, or if a City Condition Precedent cannot be fulfilled because Seller frustrated such fulfillment by some affirmative act or grossly negligent omission, City may, at its sole election, either (1) terminate this Agreement by delivery of notice of termination to Seller, whereupon Seller will pay to City any title, escrow, legal and inspection fees reasonably incurred by City and any other expenses reasonably incurred by City in connection with the Due Diligence Agreement, not to exceed Fifty Thousand and 00/100 Dollars (\$50,000.00), and performance of its due diligence review of the Property, and neither party will have any further rights or obligations under this Agreement or the Due Diligence Agreement; or (2) continue this Agreement pending City's action for specific performance and/or damages hereunder, including, without limitation, City's costs and expenses incurred under this Agreement and the Due Diligence Agreement. In the event that City fails to file and serve an action for specific performance within one (1) year after written notice to Seller of a Seller default, City shall be deemed to have elected to terminate this Agreement.

AS A MATERIAL AND SUBSTANTIAL INDUCEMENT TO SELLER TO ENTER INTO THIS AGREEMENT, CITY HEREBY IRREVOCABLY WAIVES AND AGREES NOT TO CLAIM OR ASSERT ANY RIGHT WHICH BUYER MAY HAVE TO RECORD OR FILE A LIS PENDENS AFFECTING TITLE TO OR ANY INTEREST IN THE PROPERTY UNLESS SUCH LIS PENDENS IS RECORDED IN CONJUNCTION WITH THE FILING OF A LAWSUIT ASSERTING A CAUSE OF ACTION FOR SPECIFIC PERFORMANCE AND/OR DAMAGES. EXCEPT IN THE EVENT OF FRAUD OR INTENTIONAL

MISCONDUCT, SELLER'S DIRECT OR INDIRECT PARTNERS, SHAREHOLDERS, OWNERS, OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS, OR ANY AFFILIATE OR CONTROLLING PERSON THEREOF SHALL NOT HAVE ANY LIABILITY FOR ANY CLAIM, CAUSE OF ACTION OR OTHER LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE PROPERTY, WHETHER BASED ON CONTRACT, COMMON LAW, STATUTE, EQUITY OR OTHERWISE. NOTHING IN THIS SECTION 6.7 SHALL LIMIT OR AFFECT THE OBLIGATIONS, LIABILITIES, OR REPRESENTATIONS OF SELLER SET FORTH IN THIS AGREEMENT, OR LIMIT POTENTIAL CITY CLAIMS TO DISREGARD SELLER'S CORPORATE ENTITY OR PIERCE SELLER'S CORPORATE VEIL.

**6.8 City Default and Liquidated Damages**

If the sale of the Property contemplated under this Agreement is not consummated solely because of a default under this Agreement by City, then City will pay the amount of the Deposit to Seller as liquidated damages. The parties have agreed that Seller's actual damages, in the event of a default by City, would be extremely difficult or impracticable to determine. THEREFORE, BY PLACING THEIR INITIALS BELOW, THE PARTIES ACKNOWLEDGE THAT THE DEPOSIT HAS BEEN AGREED UPON, AFTER NEGOTIATION, AS THE PARTIES' REASONABLE ESTIMATE OF SELLER'S DAMAGES AND AS SELLER'S EXCLUSIVE REMEDY AGAINST CITY, AT LAW OR IN EQUITY, IN THE EVENT OF A DEFAULT UNDER THIS AGREEMENT ON THE PART OF CITY. NOTHING IN THIS SECTION 6.8 SHALL LIMIT OR AFFECT ANY APPLICABLE SURVIVING INDEMNITY OBLIGATIONS OF CITY SET FORTH IN SECTION 1.2(D) OF THE DUE DILIGENCE AGREEMENT.

INITIALS: Seller  City \_\_\_\_\_

**7. EXPENSES AND TAXES**

**7.1 Rent and Other Apportionments**

The following are to be apportioned through escrow as of the Closing Date:

**(a) Rent**

Rent under the Leases shall be apportioned as of midnight on the Closing Date, regardless of whether or not such rent has been paid to Seller. With respect to any rent arrearage arising under the Leases, after the Closing, City shall pay to Seller any rent actually collected which is applicable to the period preceding the Closing Date; provided, however, that all rent collected by City shall be applied first to all unpaid rent accruing on and after the Closing Date, and then to unpaid rent accruing prior to the Closing Date. City shall not be obligated to take any steps to recover any rent arrearage, and Seller shall not be permitted to do so.

**(b) Leasing Costs**

Seller shall pay all leasing commissions and tenant improvement costs accrued in connection with any Lease executed on or before the Closing (including, without limitation, leasing commissions attributable to expansion or extension options which are not exercised until after the Closing), if applicable. City shall be entitled to a credit against the Purchase Price for

the total sum of all security deposits paid to Seller by tenants under any Leases, and any interest earned thereon, and to the extent applicable, any free rent, operating expense abatements, or other unexpired concessions under any Leases to the extent they apply to any period after the Closing.

**(c) Other Tenant Charges**

Where the Leases contain tenant obligations for taxes, common area expenses, operating expenses or additional charges of any other nature, and where Seller shall have collected any portion thereof in excess of amounts owed by Seller for such items for the period prior to the Closing Date, there shall be an adjustment and credit given to City on the Closing Date for such excess amounts collected. City shall apply all such excess amounts to the charges owed by City for such items for the period after the Closing Date and, if required by the Leases, shall rebate or credit tenants with any remainder. If it is determined that the amount collected during Seller's ownership period exceeded expenses incurred during the same period by more than the amount previously credited to City at Closing, then Seller shall pay the deficiency to City within five (5) days of City's written request.

**(d) Utility Charges**

Seller will cause all the utility meters to be read on the Closing Date, and will be responsible for the cost of all utilities used prior to the Closing Date. All utility deposits paid by Seller will remain the property of Seller and City will reasonably cooperate to cause such deposits to be returned to Seller to the extent Seller is entitled thereto.

**(e) Other Apportionments**

Amounts payable under any Assumed Contracts, annual or periodic permit or inspection fees (calculated on the basis of the period covered), and liability for other normal Property operation and maintenance expenses and other recurring costs will be apportioned as of the Closing Date.

**7.2 Closing Costs**

City will pay the cost of the any survey ordered by City, the premium for the Title Policy and endorsements, and one-half of the escrow and recording fees. City will pay the cost of any transfer taxes applicable to the sale of the Property. Seller will pay one-half of the escrow and recording fees, and all costs incurred in connection with the prepayment or satisfaction of any loan, bond or other indebtedness secured by the Property including, without limitation, any prepayment fees, penalties or charges. Any other costs and charges of the escrow for the sale not otherwise provided for in this Section or elsewhere in this Agreement will be allocated in accordance with the closing customs for San Francisco County, as determined by Title Company.

**7.3 Real Estate Taxes and Special Assessments**

At or before the Closing, Seller will pay all general real estate taxes payable for the tax year in which the Closing occurs and all prior years. Seller may file claim with the City and County of San Francisco for a property tax refund for any taxes paid for the period from and after the Closing Date. At or before the Closing, Seller will pay the full amount of any special assessments against the Property, including, without limitation, interest payable thereon, applicable to the period prior the Closing Date. Seller will pay any other taxes applicable to the Property for the period prior to the Closing Date.

#### **7.4 Preliminary Closing Adjustment**

Seller and City shall jointly prepare a preliminary Closing adjustment on the basis of the Leases and other sources of income and expenses, and shall deliver such computation to Title Company prior to Closing.

#### **7.5 Sales and Use Taxes for Transferred Taxable Personal Property**

Seller will promptly remit to the State of California the entire amount of any sales and use taxes triggered by the transfer of taxable personal property included in the sale of the Property, in accordance with the California law. Upon such payment of sales and use taxes, Seller will promptly provide City with confirmation of such payment to the State of California. Seller, on behalf of itself and its successors and assigns, will indemnify, defend and hold harmless City, its Agents and their respective successors and assigns, from and against any and all liabilities, claims, demands, damages, liens, costs, penalties, losses and expenses (including, without limitation, reasonable attorneys' fees) relating to the sales and use taxes arising out of the transfer of taxable personal property included in the sale of the Property. The foregoing indemnity includes, without limitation, any applicable sales and use taxes that Seller fails to remit to the State of California. The indemnification provisions of this Section will survive beyond the Closing.

#### **7.6 Post-Closing Reconciliation**

If any of the foregoing prorations cannot be calculated accurately on the Closing Date, then they will be calculated as soon after the Closing Date as feasible. Either party owing the other party a sum of money based on such subsequent prorations will promptly pay such sum to the other party.

#### **7.7 Survival**

The provisions of this Section will survive the Closing.

### **8. REPRESENTATIONS AND WARRANTIES; AS-IS SALE**

#### **8.1 Representations and Warranties of Seller**

Except as set forth below, Seller represents and warrants to and covenants with City, as of the Agreement Date and as of the Closing, as follows:

(a) To the best of Seller's knowledge, and except as set forth in the Documents delivered to City prior to the Effective Date and pursuant to the Due Diligence Agreement, there are now, and at the time of the Closing will be, no material physical or mechanical defects of the Property, and no written violations of any laws, rules or regulations applicable to the Property, including, without limitation, any Environmental Laws (as defined below), earthquake, life safety and handicap laws (including, but not limited to, the Americans with Disabilities Act), except as set forth in Schedule 8.1(a) attached hereto.

(b) The Leases, Assumed Contracts, Documents, and other information furnished to City are all of the relevant documents and information pertaining to the condition and operation of the Property to the extent available to Seller and are, and at the time of Closing, will be, true, correct, and complete copies of the documents in Seller's files.

(c) To the best of Seller's knowledge, the Leases and Assumed Contracts are, and at the time of Closing will be, in full force and effect, without default by (or notice of default to) any party.

(d) No document or instrument furnished or to be furnished by the Seller to the City in connection with this Agreement contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement will have been made.

(e) Seller has not received written notice of any condemnation, either instituted or planned to be instituted by any governmental or quasi-governmental agency other than City, which could detrimentally affect the use, operation or value of the Property.

(f) To Seller's knowledge, there are no easements or rights of way on the Property that have been acquired by prescription or are otherwise not of record and included in the Title Report, and to Seller's knowledge, there are no easements, rights of way, permits, licenses or other forms of agreement that afford third parties the right to traverse any portion of the Property to gain access to other real property that are not of record and included in the Title Report. To Seller's knowledge, there are no disputes with regard to the location of any fence or other monument of the Property's boundary nor any claims or actions involving the location of any fence or boundary.

(g) To Seller's knowledge, all water, sewer, gas, electric, telephone, and drainage facilities and all other utilities required by law or by the normal use and operation of the Property are adequate to service the Property.

(h) There is no litigation pending or, to Seller's knowledge, threatened in writing, against Seller or the Property or that might detrimentally affect the use or operation of the Property for its intended purpose or the value of the Property or the ability of Seller to perform its obligations under this Agreement.

(i) To Seller's knowledge, Seller is the legal and equitable owner of the Property, with full right to convey the same, and without limiting the generality of the foregoing, Seller has not granted any option or right of first refusal or first opportunity to any third party to acquire any interest in any of the Property.

(j) Seller is a limited liability company duly organized and validly existing under the laws of the State of Delaware and is in good standing under the laws of the State of Delaware, and is in good standing as a registered foreign limited liability company in California; this Agreement and all documents executed by Seller that are to be delivered to City at the Closing are, or at the Closing will be, duly authorized, executed and delivered by Seller, are, or at the Closing will be, legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, are, and at the Closing will be, sufficient to convey good and marketable title (if they purport to do so), and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which Seller is a party or to which Seller or the Property is subject.

(k) Seller represents and warrants to City that it has not been suspended, disciplined or disbarred by, or prohibited from contracting with, any federal, state, or local governmental agency. In the event Seller has been so suspended, disbarred, disciplined, or prohibited from contracting with any governmental agency, it will immediately notify the City of

and the reasons therefor together with any relevant facts or information requested by City. Any such suspension, debarment, discipline, or prohibition may result in the termination or suspension of this Agreement.

(l) To Seller's knowledge, Seller has not received written notice of any fact that would prevent City from the continued use and operation of the residential units in a residential manner after Closing.

(m) Except as described in Schedule 8.1(m) ("**Seller's Environmental Disclosure**") attached hereto, Seller hereby represents and warrants to and covenants with City that to Seller's knowledge the following statements are true and correct as of the Effective Date and will be true and correct as of the Closing Date: (i) neither the Property nor to the best of Seller's knowledge any real estate in the vicinity of the Property is in violation of any Environmental Laws; (ii) the Property is not now, nor to the best of Seller's knowledge has it ever been, used in any manner for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material; (iii) there has been no release and there is no threatened release of any Hazardous Material in, on, under or about the Property; (iv) during Seller's ownership of the Property, and to Seller's knowledge, prior to Seller's ownership of the Property, there have not been and there are not now any underground storage tanks, septic tanks or wells or any aboveground storage tanks at any time used to store Hazardous Material located in, on or under the Property, or if there have been or are any such tanks or wells located on the Property, their location, type, age and content has been specifically identified in Seller's Environmental Disclosure, they have been properly registered with all appropriate authorities, they are in full compliance with all applicable statutes, ordinances and regulations, and they have not resulted in the release or threatened release of any Hazardous Material into the environment; (v) the Property does not consist of any landfill or of any building materials that contain Hazardous Material; and (vi) the Property is not subject to any claim by any governmental regulatory agency or third party related to the release or threatened release of any Hazardous Material, and there is no inquiry by any governmental agency (including, without limitation, the California Department of Toxic Substances Control or the Regional Water Quality Control Board) with respect to the presence of Hazardous Material in, on, under or about the Property, or the migration of Hazardous Material from or to other property. As used herein, the following terms shall have the meanings below:

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

(ii) "**Hazardous Material**" means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Section 9601 et seq.) or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos

containing materials whether or not such materials are part of the structure of the Improvements or are naturally occurring substances on or about the Property; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and "source," "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. Section 3011 et seq.

**(iii)** "Release" or "threatened release" when used with respect to Hazardous Material includes any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside any of the improvements, or in, on, under or about the Property. Release also includes, without limitation, "release" as defined in Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601).

**(n)** At the time of Closing, there will be no outstanding written or oral contracts made by Seller for any of the Improvements that have not been fully paid for and Seller will cause to be discharged all mechanics' or materialmen's liens arising from any labor or materials furnished to the Property before Closing. There are no obligations in connection with the Property that will be binding upon City after Closing except for the Accepted Conditions of Title, the Assumed Contracts, and the Leases.

**(o)** Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code.

**(p)** There are no free rent, operating expense abatements, incomplete tenant improvements, rebates, allowances, or other unexpired concessions (collectively referred to as "Offsets") or any termination, extension, cancellation or expansion rights under any existing or pending Leases. Seller has paid in full any of landlord's leasing costs incurred by Seller in connection with any tenant improvements.

**(q)** No brokerage or similar fee is due or unpaid by Seller, to the best of Seller's knowledge, with respect to any Lease. No brokerage or similar fee shall be due or payable on account of the exercise of, without limitation, any renewal, extension or expansion options arising under any Leases.

**(r)** The copies of the Leases delivered by Seller to City on or before the commencement of the Due Diligence Period contain all of the information pertaining to any rights of any parties to occupy the Property, including, without limitation, all information regarding any rent concessions, over-standard tenant improvement allowances or other inducements to lease. None of the tenants of the Property has indicated to Seller either orally or in writing its intent to terminate its respective Lease prior to expiration of the respective term of such Lease.

**(s)** Seller represents that it is fully compliant with the California Sales and Use Tax Law and warrants to City that Landlord that it will fulfill its use tax obligations, if any, under that law with respect to the subject transaction.

For the purposes of this Agreement, Seller's knowledge shall mean the actual current knowledge of Eduardo Sagues, but without any other duty of inquiry or investigation and without the imputation of any constructive knowledge. The representations and warranties of Seller are true and correct on and as of the Effective Date and shall be true and correct on and as of the Closing. If after the Effective Date, but prior to the Closing, City or Seller should learn, discover or

become aware of any existing or new item, fact or circumstance which renders a representation or warranty of Seller set forth herein incorrect or untrue in any material respect (collectively, the “**Representation Matter**”), then Seller shall promptly give written notice thereof to City. Seller shall have the right to cure such Representation Matter within thirty (30) days. Any Representation Matter that is not cured within such thirty (30) day period that is caused by Seller’s affirmative act or grossly negligent omission shall constitute a default by Seller, pursuant to Section 6.7 hereof. Regarding any other Representation Matter that is not cured within such thirty (30) day period, City shall have the right, in its sole discretion, to either (i) waive in writing and proceed to acquire the Property on the terms set forth in this Agreement, in which event the Representation Matter shall be qualified by such new item, fact or circumstance, or (ii) terminate this Agreement, and if the City has made the Deposit pursuant to Section 2.2 above, the Deposit shall be immediately returned to City. Upon such termination, neither party hereunder shall have any further obligations or liabilities under this Agreement except as specifically set forth herein.

## **8.2 Indemnity.**

Seller, on behalf of itself and its successors and assigns, will indemnify, defend and hold harmless City, its Agents and their respective successors and assigns, from and against any and all liabilities, claims, demands, damages, liens, costs, penalties, losses and expenses, including, without limitation, reasonable attorneys' and consultants' fees, resulting from any misrepresentation or breach of warranty or breach of covenant made by Seller in this Agreement or in any document, certificate, or exhibit given or delivered to City pursuant to or in connection with this Agreement or in any agreement between Seller and a third party relating to the Property and entered into prior to Closing. The foregoing indemnity includes, without limitation, costs incurred in connection with the investigation of site conditions and all activities required to locate, assess, evaluate, remediate, cleanup, remove, contain, treat, stabilize, monitor or otherwise control any Hazardous Material. Except for any claims caused by Seller’s intentional misrepresentation or fraud, the indemnification provisions of this Section will survive beyond the Closing for a period of twelve (12) months from and after the Closing Date, or, if title is not transferred pursuant to this Agreement, beyond any termination of this Agreement. In addition, if Closing occurs pursuant to this Agreement, Seller’s liability with respect to the indemnification provisions of this Section shall not exceed two percent (2%) of the Purchase Price, except for any claims caused by Seller’s intentional misrepresentation or fraud.

## **8.3 As-Is Sale.**

(a) As provided in this Agreement and the Due Diligence Agreement, it is the intent of Seller and City that, by the Closing Date, City will have had the opportunity to perform a diligent and thorough inspection and investigation of the Property, either independently or through its Agents. CITY SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SELLER IS CONVEYING AND CITY IS ACQUIRING SELLER’S INTEREST IN THE PROPERTY ON AN “AS IS WITH ALL FAULTS” BASIS. CITY IS RELYING SOLELY ON ITS INDEPENDENT INVESTIGATION AND, OTHER THAN THE REPRESENTATIONS AND WARRANTIES OF SELLER EXPRESSLY SET FORTH IN THIS AGREEMENT, NOT ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM SELLER OR ITS AGENTS AS TO ANY MATTERS CONCERNING THE PROPERTY, THE SUITABILITY FOR CITY’S INTENDED USES OR ANY OF THE PROPERTY CONDITIONS THEREOF. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 8.1 (REPRESENTATIONS AND WARRANTIES OF SELLER), SELLER DOES NOT WARRANT THE LEGAL, PHYSICAL, GEOLOGICAL,

ENVIRONMENTAL, ZONING, OR OTHER CONDITIONS OF THE PROPERTY, OR THE SUITABILITY FOR ANY USE, NOR DOES IT ASSUME ANY RESPONSIBILITY FOR THE COMPLIANCE OF THE PROPERTY OR ITS USE WITH ANY APPLICABLE LAWS. IT IS CITY'S SOLE RESPONSIBILITY TO DETERMINE ALL BUILDING, PLANNING, ZONING, AND OTHER REGULATIONS AND APPLICABLE LAWS RELATING TO THE PROPERTY AND THE USES TO WHICH IT MAY BE PUT.

(b) As part of its agreement to accept the Property and in its "as is and with all faults" condition, City as of the Closing Date, on behalf of itself and its successors and assigns, waives any right to recover from, and forever releases and discharges, Seller and its Agents, and their respective heirs, successors, legal representatives and assigns, from any and all Losses, whether direct or indirect, known or unknown, or foreseen or unforeseen, that may arise on account of or in any way be connected with (a) the use of the Property by City and its successors and assigns or (b) the physical, geological, or environmental condition of the Property. "Losses" means any and all claims, demands, losses, liabilities, damages (including foreseeable and unforeseeable consequential damages), liens, obligations, interest, injuries, penalties, fines, lawsuits and other proceedings, judgments, and awards and reasonable costs and expenses of whatever kind or nature, known or unknown, foreseen or unforeseen, or contingent or otherwise, including attorneys' fees and costs. In connection with the foregoing release, City, as of the Closing Date, expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

(c) NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE FOREGOING PROVISIONS OF THIS SECTION 8.3 WILL NOT SERVE TO RELEASE SELLER AND ITS AGENTS FROM, AND NO RELEASE IN THIS SECTION 8.3 APPLIES TO, AND CITY EXPRESSLY DOES NOT WAIVE ANY LOSSES TO THE EXTENT ARISING FROM (A) SELLER OR ITS AGENT'S FRAUD, (B) ANY MATERIAL BREACH OF ANY COVENANT OR EXPRESS REPRESENTATION OR WARRANTY MADE BY SELLER UNDER THIS AGREEMENT, OR (C) WITH RESPECT TO ANY CLAIM MADE BY ANY THIRD PARTY AGAINST CITY WITH RESPECT TO THE PROPERTY ARISING DURING SELLER'S OWNERSHIP, EXCEPT AS AND TO THE EXTENT CAUSED BY CITY.

## **9. RISK OF LOSS; POSSESSION**

### **9.1 Risk of Loss**

If any of the Property is damaged or destroyed prior to the Closing Date, or if condemnation proceedings are commenced against any portion of the Property, then the rights and obligations of Seller and City under this Agreement are as follows:

(a) If such damage or destruction is fully covered by Seller's insurance except for the deductible amount of up to Twenty Thousand and 00/100 Dollars (\$20,000.00) and the

insurer agrees to timely pay for the entire cost of such repair (except the deductible), and the entire cost of the damage or destruction would cost less than One Million and 00/100 Dollars (\$1,000,000.00) (the “**Threshold Damage Amount**”) to repair or restore, then this Agreement will remain in full force and effect and City may proceed to acquire the Property upon the terms and conditions set forth in this Agreement. In such event, City will receive a credit against the Purchase Price equal to the deductible amount, and Seller will assign to City at Closing all of Seller's right, title and interest in and to all proceeds of insurance on account of such damage or destruction pursuant to an instrument satisfactory to City.

(b) If such damage or destruction is not fully covered by Seller's insurance, other than the above deductible amount, and would cost less than the Threshold Damage Amount to repair or restore, then the transaction contemplated by this Agreement will be consummated with City receiving a credit against the Purchase Price at the Closing in an amount reasonably determined by Seller and City (after consultation with unaffiliated experts) to be the cost of repairing such damage or destruction.

(c) If the cost of such damage or destruction would equal or exceed the Threshold Damage Amount, or if condemnation proceedings are commenced against any of the Property, then, City shall have the right, at its election, either to terminate this Agreement in its entirety, or only as to that portion of the Property damaged or destroyed or subject to condemnation proceedings (in which case there shall be an equitable adjustment to the Purchase Price), or to not terminate this Agreement and purchase the Property (or the portion not damaged or affected by condemnation, as the case may be). City shall have thirty (30) days after Seller notifies City that an event described in this Subsection (c) has occurred to make such election by delivery to Seller of an election notice. City's failure to deliver such notice within such thirty (30)-day period shall be deemed City's election to terminate this Agreement in its entirety. If this Agreement is terminated in its entirety or in part pursuant to this Subsection (c) by City's delivery of notice of termination to Seller, then City and Seller shall each be released from all obligations hereunder pertaining to that portion of the Property affected by such termination. If City elects not to terminate this Agreement, Seller shall have the right to either (i) terminate this Agreement by providing written notice to City (“**Seller's Termination Notice**”), in which event City may proceed with the Closing (nullifying Seller's Termination Notice) and purchase the Property at the Purchase Price less any proceeds of insurance and condemnation awards, or (ii) notify City of Seller's intention to repair such damage or destruction, in which case this Agreement shall remain in full force and effect. Any repairs elected to be made by Seller pursuant to this Subsection shall be made within one hundred eighty (180) days following such damage or destruction and the Closing shall be extended until the repairs are substantially completed. As used in this Section, the cost to repair or restore shall include the cost of lost rental revenue, including additional rent and base rent.

(d) Notwithstanding the foregoing to the contrary, to the extent that the eminent domain proceedings are initiated by the City, then the risk of loss shall be borne entirely by the City and the transaction contemplated by this Agreement will be consummated without any adjustment to the Purchase Price or assignment of eminent domain proceeds.

## 9.2 Insurance

Through the Closing Date, Seller will maintain or cause to be maintained, at Seller's sole cost and expense, a policy or policies of property insurance in the form acquired prior to the Effective Date and in amounts equal to the full replacement value of the Improvements and the Personal Property, insuring against all insurable risks, including, without limitation, fire, vandalism, malicious mischief, lightning, windstorm, water, earthquake, flood, and other perils customarily covered by casualty insurance and the costs of demolition and debris removal. Seller will furnish City with evidence of such insurance upon written request by City.

### 9.3 Possession

Seller will deliver possession of the Property to City on the Closing Date, vacant and free of leases, except for the Accepted Conditions of Title, Assumed Contracts and the Leases.

## 10. MAINTENANCE; CONSENT TO NEW CONTRACTS

### 10.1 Maintenance of the Property by Seller

Between the Effective Date and the Closing, Seller will maintain the Property in good order, condition and repair, reasonable wear and tear excepted, will perform all work required to be done by the landlord under the terms of any Lease, and will make all repairs, maintenance and replacements of the Improvements and any Personal Property and otherwise operate the Property in the same manner as before the making of this Agreement, as if Seller were retaining the Property.

### 10.2 City's Consent to New Contracts Affecting the Property; Termination of Existing Contracts

After the Effective Date, Seller may not enter into any lease or contract, or any amendment thereof, or permit any tenant of the Property to enter into any sublease, assignment, or agreement pertaining to the Property, or waive any rights of Seller under any Lease or Assumed Contract, without in each instance obtaining City's prior written consent thereto. City agrees that it will not unreasonably withhold or delay any such consent. Seller will terminate prior to the Closing, at no cost or expense to City, any and all agreements, including any management agreements affecting the Property that City does not agree in writing prior to the Closing to assume.

## 11. GENERAL PROVISIONS

### 11.1 Notices

Any notice, consent or approval required or permitted to be given under this Agreement must be in writing and will be deemed to have been given upon receipt, as demonstrated by courier confirmation of delivery or US mail return receipt or other verified tracking. Notices will be addressed as follows:

City:

Real Estate Division  
City and County of San Francisco  
25 Van Ness Avenue, Suite 400  
San Francisco, California 94102  
Attn: Director of Property  
Re: **42 Otis Street**  
andrico.penick@sfgov.org

with copy to:

Jessie Alfaro-Cassella  
Deputy City Attorney  
Office of the City Attorney  
City Hall, Room 234  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4682  
Re: **42 Otis Street**  
Email Address: jessie.cassella@sfcityatty.org

Seller:

Costanoan LLC  
2040 Webster Street  
San Francisco, CA 94115  
Attn: Yola Ozturk  
Email: [yola@marchcapitalfund.com](mailto:yola@marchcapitalfund.com)

with a copy to:

Jackson Tidus  
2030 Main Street, 12<sup>th</sup> Floor  
Irvine, CA 92614  
Attn: Sonia Lister  
Email: [slister@jacksontidus.law](mailto:slister@jacksontidus.law)

or to such other address as either party may from time to time specify in writing to the other upon five (5) days prior written notice in the manner provided above. For convenience of the parties, copies of notices may also be given by email to the email address listed above, or such other address as may be provided from time to time. However, neither party may give official or binding notice by email. The effective time of a notice will not be affected by the receipt, before receipt of the original, of an email copy of the notice.

### **11.2 Brokers and Finders**

Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the purchase and sale contemplated herein. If any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, then the party through whom the broker or finder makes his or her claim will be responsible for such commission or fee and will indemnify and hold harmless the other party from all claims, costs, and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by the indemnified party in defending against the same. The provisions of this Section will survive the Closing.

### **11.3 Successors and Assigns**

This Agreement is binding on, and will inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns. City has the right, upon notice to Seller, to assign its right, title and interest in and to this Agreement to a non-profit organization directly affiliated with City's intended use of the Property at any time before the Closing Date.

### **11.4 Amendments**

Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by City and Seller.

### **11.5 Continuation and Survival of Representations and Warranties**

All representations and warranties by the respective parties in this Agreement or made in writing under this Agreement are intended to be, and must remain, true and correct as of the Closing, will be deemed to be material, and, together with all conditions, covenants, and indemnities made by the respective parties under this Agreement or made in writing in accordance with this Agreement (except as otherwise expressly limited or expanded by the terms

of this Agreement), will survive the execution and delivery of this Agreement and the Closing, or, to the extent the context requires, beyond any termination of this Agreement. All statements contained in any certificate or other instrument delivered at any time by or on behalf of Seller in conjunction with the transaction contemplated by this Agreement will constitute representations and warranties hereunder.

### **11.6 Governing Law**

This Agreement is governed by and construed in accordance with the laws of the State of California and the City's Charter and Municipal Code.

Any legal suit, action, or proceeding arising out of or relating to this Agreement shall be instituted in the Superior Court for the City and County of San Francisco, and each party agrees to the exclusive jurisdiction of such court in any such suit, action, or proceeding (excluding bankruptcy matters). The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action, or proceeding in such court and irrevocably waive and agree not to plead or claim that any suit, action, or proceeding brought in San Francisco Superior Court relating to this Agreement has been brought in an inconvenient forum. The Parties also unconditionally and irrevocably waive any right to remove any such suit, action, or proceeding to Federal Court.

### **11.7 Merger of Prior Agreements**

The parties intend that this Agreement (including all of the attached exhibits and schedules, which are incorporated into this Agreement by reference) and the Due Diligence Agreement are the final expressions of their agreement with respect to Seller's sale of the Property and City's purchase of the Property and may not be contradicted by evidence of any prior or contemporaneous oral or written agreements or understandings, including, without limitation, any letter of intent or term sheet. The parties further intend that this Agreement and the Due Diligence Agreement will constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever (including, without limitation, prior drafts or changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Agreement.

### **11.8 Parties and Their Agents; Approvals**

The term "Seller" as used herein includes the plural as well as the singular. If there is more than one (1) Seller, then the obligations under this Agreement imposed on Seller will be joint and several. As used herein, the term "Agents" when used with respect to either party includes the agents, employees, officers, contractors, and representatives of such party. All approvals, consents, or other determinations permitted or required by City hereunder will be made by or through City's Director of Property unless otherwise provided herein, subject to applicable law.

### **11.9 Interpretation of Agreement**

The article, section, and other headings of this Agreement and the table of contents are for convenience of reference only and will not affect the meaning or interpretation of any provision of this Agreement. Whenever the context requires, the use of the singular will be deemed to include the plural and vice versa, and each gender reference will be deemed to include any gender. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each party has been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision that would require interpretation

of any ambiguities in this Agreement against the party that has drafted it is not applicable and is waived. The provisions of this Agreement will be interpreted in a reasonable manner to effect the purposes of the parties and this Agreement.

**11.10 Reserved.**

**11.11 Seller Tax Obligations**

Seller acknowledges that under Section 6.10-2 of the San Francisco Business and Tax Regulations Code, the City Treasurer and Tax Collector may require the withholding of payments to any vendor that is delinquent in the payment of any amounts that the vendor is required to pay the City under the San Francisco Business and Tax Regulations Code (“**Delinquent Payment**”). If, under that authority, any payment City is required to make to Seller under this Agreement is withheld because Seller owes the City a Delinquent Payment, then City will not be in breach or default under this Agreement, and the Treasurer and Tax Collector will authorize release of any payments withheld under this paragraph to Seller, without interest, late fees, penalties, or other charges, upon Seller coming back into compliance with its San Francisco Business and Tax Regulations Code obligations.

**11.12 Sunshine Ordinance**

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

**11.13 Conflicts of Interest**

Through its execution of this Agreement, Seller acknowledges that it is familiar with the provisions of 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 would constitute a violation of said provision, and agrees that if Seller becomes aware of any such fact during the term of this Agreement, Seller will immediately notify the City.

**11.14 Notification of Prohibition on Contributions**

Through its execution of this Agreement, Seller acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from any department of the City whenever such transaction would require the approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (1) the City elective officer, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or twelve (12) months after the date the contract is approved. Seller 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 \$100,000 or more. Seller further acknowledges that the (i) prohibition on contributions applies to each Seller; each member of Seller’s board of directors, and Seller’s chief executive officer, chief financial

officer and chief operating officer; any person with an ownership interest of more than ten percent (10%) in Seller; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Seller; and (ii) within thirty (30) days of the submission of a proposal for the contract, the City department with whom Seller is contracting is obligated to submit to the Ethics Commission the parties to the contract and any subcontractor. Additionally, Seller certifies that Seller has informed each of the persons described in the preceding sentence of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

#### **11.15 Non-Liability of City Officials, Employees and Agents**

Notwithstanding anything to the contrary in this Agreement, no elective or appointive board, commission, member, officer, employee or agent of City will be personally liable to Seller, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Seller, its successors and assigns, or for any obligation of City under this Agreement.

#### **11.16 Intentionally Omitted.**

#### **11.17 Counterparts**

This Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

#### **11.18 Effective Date**

As used herein, the term “**Effective Date**” means the date on which City, or its nominee, and Seller have executed this Agreement, as authorized by a resolution or ordinance, as applicable, enacted by the City's Board of Supervisors and Mayor approving and authorizing this Agreement and the transaction contemplated hereunder.

#### **11.19 Severability**

If any provision of this Agreement or the application thereof to any person, entity or circumstance is determined to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, will not be affected, and each other provision of this Agreement will be valid and be enforceable to the fullest extent permitted by law, except to the extent that enforcement of this Agreement without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this Agreement.

#### **11.20 Agreement Not to Market Prior to Effective Date**

Seller agrees that unless and until this Agreement terminates pursuant to its terms, Seller will not negotiate with any other parties pertaining to the sale of all or a portion of the Property and will not market all or a portion of the Property to third parties.

#### **11.21 Cooperative Drafting.**

This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel.

No party will be considered the drafter of this Agreement, and no presumption or rule that an ambiguity will be construed against the party drafting the clause will apply to the interpretation or enforcement of this Agreement.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, SELLER ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS AGREEMENT UNLESS AND UNTIL APPROPRIATE LEGISLATION OF CITY'S BOARD OF SUPERVISORS WILL HAVE BEEN DULY ENACTED APPROVING THIS AGREEMENT AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON THE DUE ENACTMENT OF SUCH LEGISLATION, AND THIS AGREEMENT WILL BE NULL AND VOID IF CITY'S BOARD OF SUPERVISORS AND MAYOR DO NOT APPROVE THIS AGREEMENT, IN THEIR RESPECTIVE SOLE DISCRETION. APPROVAL OF ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY WILL NOT BE DEEMED TO IMPLY THAT SUCH LEGISLATION WILL BE ENACTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

*[SIGNATURES ON FOLLOWING PAGES]*

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

SELLER:

Costanoan LLC,  
a Delaware limited liability company

DocuSigned by:  
By: Yola Ozturk  
9C6P8497808E4CF  
Yola Ozturk, Manager

Date: \_\_\_\_\_

CITY:

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_  
Andrico Q. Penick  
Director of Property

Date: \_\_\_\_\_

APPROVED AS TO FORM:

DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Jessie Alfaro-Cassella  
Deputy City Attorney

**EXHIBIT A**

**REAL PROPERTY DESCRIPTION**

All that certain real property located in the County of San Francisco, State of California, described as follows:

**Parcel A:**

Parcel One:

Unit 102 (the "Unit") as shown and described in the Commercial Condominium Plan for 42 Otis Street, recorded on August 10, 2021 as [Document No. 2021129760](#), in the City and County of San Francisco, State of California (together with any amendments thereto, collectively, the "Plan"), comprising a portion of Lot 1 on "Final Map No. 10166", filed May 3, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#), inclusive, in the Office of the San Francisco County Recorder, State of California (the "Map").

Reserving therefrom, for the benefit of Granter and its successors in interest and assignees, together with the right to grant and transfer all or a portion of the same, nonexclusive easements for access, ingress, egress, encroachment, enforcement, support, completion, maintenance, drainage, use, enjoyment, repairs, public service use, and for the installation, maintenance and repair of utilities and similar facilities (including, but not limited to, electrical, telephone, gas, water and sewer lines, utility meters, storm drains, street lights, mail boxes, fire hydrants, monuments and signs), and for other purposes, all as may be shown on the plan and the map, and as described in the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for 42 Otis Street Commercial Condominiums, recorded on August 10, 2021, as [Document No. 2021129756](#) (together with any amendments thereto, collectively, the "Declaration"), in Official Records. Capitalized terms used in this legal description shall have the meanings given them in the declaration, unless otherwise defined herein.

Also reserving therefrom, for the benefit of Grantor, its successors in interest, and assigns, the right to enter the Unit (i) to comply with requirements for the recordation of subdivision maps or lot line adjustments in the Commercial Project, (ii) for repair of Improvements, (iii) to accommodate grading or construction activities, (iv) to comply with requirements of applicable governmental agencies, and (v) as may be reasonably necessary to complete improvements on the unit (including relocation as necessary) as determined by grantor in its sole discretion. Granter shall provide reasonable notice to grantee before such entry, except for emergency situations which shall not require prior notice but shall require notice to grantee within Seven (7) days after such entry was made. For purposes hereof, an "emergency" is deemed to exist where there is an imminent threat of injury to persons or damage to property. If grantee does not comply with grantor's rights hereunder, grantor may enforce its rights in a court of law. The prevailing party in such dispute shall be entitled to all damages arising out of such failure to comply, including attorneys' fees and court costs. The term of this reservation of right of entry

shall automatically expire on the date that is Ten (10) years from the last Close of Escrow for the sale of a unit in the Commercial Project.

Further reserving therefrom, for the benefit of 42 Otis Commercial Condominium Association, a California nonprofit mutual benefit corporation, nonexclusive easements for ingress, egress, access, encroachment, support, maintenance, repairs, replacement, restoration, drainage, enforcement and all other purposes as set forth in the declaration.

#### Parcel Two

An undivided 59.1% fee simple interest as a tenant in common in the Commercial Common area in the Commercial Project appurtenant to the Unit and described in the plan. The Commercial Common Area is located above the real property described in the Plan.

#### Parcel Three

Nonexclusive easements for access, egress, ingress, use, enjoyment, drainage, encroachment support, maintenance, repairs and for other purposes, all as described and reserved in the Declaration, the Plan and the Map.

APN: 3505-054 (formerly 3505-020)

#### **Parcel B:**

##### Parcel One:

Unit 201 (the "Unit") as shown and described in the Commercial Condominium Plan for 42 Otis Street, recorded on August 10, 2021 as [Document No. 2021129760](#), in the City and County of San Francisco, State of California (together with any amendments thereto, collectively, the "Plan"), comprising a portion of Lot 1 on "Final Map No. 10166", filed May 3, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#), inclusive, in the Office of the San Francisco County Recorder, State of California (the "Map").

Reserving therefrom, for the benefit of Granter and its successors in interest and assignees, together with the right to grant and transfer all or a portion of the same, nonexclusive easements for access, ingress, egress, encroachment, enforcement, support, completion, maintenance, drainage, use, enjoyment, repairs, public service use, and for the installation, maintenance and repair of utilities and similar facilities (including, but not limited to, electrical, telephone, gas, water and sewer lines, utility meters, storm drains, street lights, mail boxes, fire hydrants, monuments and signs), and for other purposes, all as may be shown on the Plan and the Map, and as described in the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for 42 Otis Street Commercial Condominiums, recorded on August 10, 2021, as [Document No. 2021129756](#) (together with any amendments thereto, collectively, the "Declaration"), in Official Records. Capitalized terms used in this legal description shall have the meanings given them in the Declaration, unless otherwise defined herein.

Also reserving therefrom, for the benefit of Grantor, its successors in interest, and assigns, the right to enter the Unit (i) to comply with requirements for the recordation of subdivision maps or lot line adjustments in the Commercial Project, (ii) for repair of Improvements, (iii) to accommodate grading or construction activities, (iv) to comply with requirements of applicable governmental agencies, and (v) as may be reasonably necessary to complete Improvements on the Unit (including relocation as necessary) as determined by Grantor in its sole discretion. Grantor shall provide reasonable notice to Grantee before such entry, except for emergency situations which shall not require prior notice but shall require notice to Grantee within seven (7) days after such entry was made. For purposes hereof, an "emergency" is deemed to exist where there is an imminent threat of injury to persons or damage to property. If Grantee does not comply with Grantor's rights hereunder, Grantor may enforce its rights in a court of law. The prevailing party in such dispute shall be entitled to all damages arising out of such failure to comply, including attorneys' fees and court costs. The term of this reservation of right of entry shall automatically expire on the date that is ten (10) years from the last Close of Escrow for the sale of a Unit in the Commercial Project.

Further reserving therefrom, for the benefit of 42 Otis Commercial Condominium Association, a California nonprofit mutual benefit corporation, nonexclusive easements for ingress, egress, access, encroachment, support, maintenance, repairs, replacement, restoration, drainage, enforcement and all other purposes as set forth in the Declaration.

#### Parcel Two

An undivided 9.7% fee simple interest as a tenant in common in the Commercial Common Area in the Commercial Project appurtenant to the Unit and described in the Plan. The Commercial Common Area is located above the real property described in the Plan.

#### Parcel Three

Nonexclusive easements for access, egress, ingress, use, enjoyment, drainage, encroachment support, maintenance, repairs and for other purposes, all as described and reserved in the Declaration, the Plan and the Map.

APN: 3505-055 (formerly 3505-020)

#### **Parcel C:**

##### Parcel One:

Unit 202 (the "Unit") as shown and described in the Commercial Condominium Plan for 42 Otis Street, recorded on August 10, 2021 as [Document No. 2021129760](#), in the City and County of San Francisco, State of California (together with any amendments thereto, collectively, the "Plan"), comprising a portion of Lot 1 on "Final Map No. 10166", filed May 3, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#), inclusive, in the Office of the San Francisco County Recorder, State of California (the "Map").

Reserving therefrom, for the benefit of Grantor and its successors in interest and assignees, together with the right to grant and transfer all or a portion of the same, nonexclusive easements for access, ingress, egress, encroachment, enforcement, support, completion, maintenance, drainage, use, enjoyment, repairs, public service use, and for the installation, maintenance and repair of utilities and similar facilities (including, but not limited to, electrical, telephone, gas, water and sewer lines, utility meters, storm drains, street lights, mail boxes, fire hydrants, monuments and signs), and for other purposes, all as may be shown on the Plan and the Map, and as described in the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for 42 Otis Street Commercial Condominiums, recorded on August 10, 2021, as [Document No. 2021129756](#) (together with any amendments thereto, collectively, the "Declaration"), in Official Records. Capitalized terms used in this legal description shall have the meanings given them in the Declaration, unless otherwise defined herein.

Also reserving therefrom, for the benefit of Grantor, its successors in interest, and assigns, the right to enter the Unit (i) to comply with requirements for the recordation of subdivision maps or lot line adjustments in the Commercial Project, (ii) for repair of Improvements, (iii) to accommodate grading or construction activities, (iv) to comply with requirements of applicable governmental agencies, and (v) as may be reasonably necessary to complete Improvements on the Unit (including relocation as necessary) as determined by Grantor in its sole discretion. Grantor shall provide reasonable notice to Grantee before such entry, except for emergency situations which shall not require prior notice but shall require notice to Grantee within seven (7) days after such entry was made. For purposes hereof, an "emergency" is deemed to exist where there is an imminent threat of injury to persons or damage to property. If Grantee does not comply with Grantor's rights hereunder, Grantor may enforce its rights in a court of law. The prevailing party in such dispute shall be entitled to all damages arising out of such failure to comply, including attorneys' fees and court costs. The term of this reservation of right of entry shall automatically expire on the date that is ten (10) years from the last Close of Escrow for the sale of a Unit in the Commercial Project.

Further reserving therefrom, for the benefit of 42 Otis Commercial Condominium Association, a California nonprofit mutual benefit corporation, nonexclusive easements for ingress, egress, access, encroachment, support, maintenance, repairs, replacement, restoration, drainage, enforcement and all other purposes as set forth in the Declaration.

#### Parcel Two

An undivided 10.7% fee simple interest as a tenant in common in the Commercial Common Area in the Commercial Project appurtenant to the Unit and described in the Plan. The Commercial Common Area is located above the real property described in the Plan.

#### Parcel Three

Nonexclusive easements for access, egress, ingress, use, enjoyment, drainage, encroachment support, maintenance, repairs and for other purposes, all as described and reserved in the Declaration, the Plan and the Map.

APN: 3505-056 (formerly 3505-020)

**Parcel D:**

Parcel One:

Unit 203 (the "Unit") as shown and described in the Commercial Condominium Plan for 42 Otis Street, recorded on August 10, 2021 as [Document No. 2021129760](#), in the City and County of San Francisco, State of California (together with any amendments thereto, collectively, the "Plan"), comprising a portion of Lot 1 on "Final Map No. 10166", filed May 3, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#), inclusive, in the Office of the San Francisco County Recorder, State of California (the "Map").

Reserving therefrom, for the benefit of Grantor and its successors in interest and assignees, together with the right to grant and transfer all or a portion of the same, nonexclusive easements for access, ingress, egress, encroachment, enforcement, support, completion, maintenance, drainage, use, enjoyment, repairs, public service use, and for the installation, maintenance and repair of utilities and similar facilities (including, but not limited to, electrical, telephone, gas, water and sewer lines, utility meters, storm drains, street lights, mail boxes, fire hydrants, monuments and signs), and for other purposes, all as may be shown on the Plan and the Map, and as described in the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for 42 Otis Street Commercial Condominiums, recorded on August 10, 2021, as [Document No. 2021129756](#) (together with any amendments thereto, collectively, the "Declaration"), in Official Records. Capitalized terms used in this legal description shall have the meanings given them in the Declaration, unless otherwise defined herein.

Also reserving therefrom, for the benefit of Grantor, its successors in interest, and assigns, the right to enter the Unit (i) to comply with requirements for the recordation of subdivision maps or lot line adjustments in the Commercial Project, (ii) for repair of Improvements, (iii) to accommodate grading or construction activities, (iv) to comply with requirements of applicable governmental agencies, and (v) as may be reasonably necessary to complete Improvements on the Unit (including relocation as necessary) as determined by Grantor in its sole discretion. Grantor shall provide reasonable notice to Grantee before such entry, except for emergency situations which shall not require prior notice but shall require notice to Grantee within seven (7) days after such entry was made. For purposes hereof, an "emergency" is deemed to exist where there is an imminent threat of injury to persons or damage to property. If Grantee does not comply with Grantor's rights hereunder, Grantor may enforce its rights in a court of law. The prevailing party in such dispute shall be entitled to all damages arising out of such failure to comply, including attorneys' fees and court costs. The term of this reservation of right of entry shall automatically expire on the date that is ten (10) years from the last Close of Escrow for the sale of a Unit in the Commercial Project.

Further reserving therefrom, for the benefit of 42 Otis Commercial Condominium Association, a California nonprofit mutual benefit corporation, nonexclusive easements for ingress, egress,

access, encroachment, support, maintenance, repairs, replacement, restoration, drainage, enforcement and all other purposes as set forth in the Declaration.

Parcel Two

An undivided 10.2% fee simple interest as a tenant in common in the Commercial Common Area in the Commercial Project appurtenant to the Unit and described in the Plan. The Commercial Common Area is located above the real property described in the Plan.

Parcel Three

Nonexclusive easements for access, egress, ingress, use, enjoyment, drainage, encroachment support, maintenance, repairs and for other purposes, all as described and reserved in the Declaration, the Plan and the Map. APN: 3505-057 (formerly 3505-020)

**Parcel E:**

Parcel One:

Condominium Unit 205, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No.](#)

[2021129759](#), Official Records (referred to herein as "The Plan") and being a subdivision of Lot 1 as shown on that certain

Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Reserving therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, reserving therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as designated on the plan and reserved by grantor to units for use as designated in the declaration; and

(b) Nonexclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

The exclusive easement to use the roof equipment area(s) designated E-205 on the plan.

(a) The exclusive easement to use the patio area(s) designated P-205 on the plan.

Parcel Four:

A nonexclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California civil code section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-059 (formerly 3505-020)

**Parcel F:**

Parcel One:

Condominium Unit 206, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Reserving therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, reserving therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as designated on the plan and reserved by grantor to units for use as designated in the declaration; and
- (b) Nonexclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-206 on the plan.
- (b) The exclusive easement to use the patio area(s) designated P-206 on the plan.

Parcel Four:

A nonexclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California civil code section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-060 (formerly 3505-020)

**Parcel G:**

Parcel One:

Condominium Unit 207, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a subdivision of Lot 1 as shown on that certain

Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Reserving therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.

(b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, reserving therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as designated on the plan and reserved by grantor to units for use as designated in the declaration; and
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-207 on the plan.
- (b) The exclusive easement to use the patio area(s) designated P-207 on the plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California civil code section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration.

APN: 3505-061 (formerly 3505-020)

**Parcel H:**

Parcel One:

Condominium Unit 301, Lot 62, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street residential condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, reserving therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as designated on the plan and reserved by grantor to units for use as designated in the declaration; and
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three: The exclusive easement to use the roof equipment area(s) designated E-301 on the plan.

- (a) The exclusive easement to use the patio area(s) designated P-207 on the plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California civil code section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-062 (formerly 3505-020)

**Parcel I:**

Parcel One:

Condominium Unit 302, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in

the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street residential condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-302 on the plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California civil code section 4505 (A).

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-063 (formerly 3505-020)

**Parcel J:**

Parcel One:

Condominium Unit 303, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No.](#)

[2021129759](#), Official Records (referred to herein as "The Plan") and being a subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street residential condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) Designated E-303 on the plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California civil code section 4505 (A).

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration.

APN: 3505-064 (formerly 3505-020)

**Parcel K:**

Parcel One:

Condominium Unit 304, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#),

Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain

Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said Unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the Plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to Units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-304 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-065 (formerly 3505-020)

**Parcel L:**

Parcel One:

Condominium Unit 305, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#),

Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain

Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-305 on the plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration.

APN: 3505-066 (formerly 3505-020)

**Parcel M:**

Parcel One:

Condominium Unit 306, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

(a) The exclusive easement to use the roof equipment area(s) designated E-306 on the plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration.

APN: 3505-067 (formerly 3505-020)

**Parcel N:**

Parcel One:

Condominium Unit 307, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.

(b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

(a) The exclusive easement to use the roof equipment area(s) designated E-307 on the plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-068 (formerly 3505-020)

**Parcel O:**

Parcel One:

Condominium Unit 401, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

(a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.

(b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-401 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-069 (formerly 3505-020)

**Parcel P:**

Parcel One:

Condominium Unit 402, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-402 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-070 (formerly 3505-020)

**Parcel Q:**

Parcel One:

Condominium Unit 403, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.

(b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

(a) The exclusive easement to use the roof equipment area(s) designated E-403 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration.

APN: 3505-071 (formerly 3505-020)

**Parcel R:**

Parcel One:

Condominium Unit 404, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain

Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-404 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-072 (formerly 3505-020)

**Parcel S:**

Parcel One:

Condominium Unit 405, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of

Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-405 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-073 (formerly 3505-020)

**Parcel T:**

Parcel One:

Condominium Unit 406, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain

Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-406 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration.

APN: 3505-074 (formerly 3505-020)

**Parcel U:**

Parcel One:

Condominium Unit 407, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-407 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-075 (formerly 3505-020)

**Parcel V:**

Parcel One:

Condominium Unit 501, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-501 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-076 (formerly 3505-020)

**Parcel W:**

Parcel One:

Condominium Unit 502, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#),

Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain

Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-502 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-077 (formerly 3505-020)

**Parcel X:**

Parcel One:

Condominium Unit 503, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

(a) The exclusive easement to use the roof equipment area(s) designated E-503 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-078 (formerly 3505-020)

**Parcel Y:**

Parcel One:

Condominium Unit 504, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.

(b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

(a) The exclusive easement to use the roof equipment area(s) designated E-504 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions

of the declaration. APN: 3505-079 (formerly 3505-020)

**Parcel Z:**

Parcel One:

Condominium Unit 505, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No.](#)

[2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain

Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

(a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.

(b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-505 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration. APN: 3505-080 (formerly 3505-020)

**Parcel AA:**

Parcel One:

Condominium Unit 506, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#), Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.
- (b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

- (a) The exclusive easement to use the roof equipment area(s) designated E-506 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A),

Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration.

APN: 3505-081 (formerly 3505-020)

**Parcel AB:** Parcel

One:

Condominium Unit 507, as shown upon the Condominium Plan recorded on August 10, 2021, as [Document No. 2021129759](#),

Official Records (referred to herein as "The Plan") and being a Subdivision of Lot 1 as shown on that certain

Map entitled Final Map No.10166, recorded May 03, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#) inclusive, (referred to herein as "The Map"), and as further described and defined in the declaration of covenants, conditions and restrictions and reservation of easements for 42 Otis Street Residential Condominiums recorded August 10, 2021, as [Document No. 2021129757](#) of Official Records, City and County of San Francisco, State of California, (referred to herein as "the Declaration").

Excepting therefrom, any portion of the common area lying within said unit.

Also excepting therefrom:

- (a) Easements through said unit, appurtenant to the common area and all other units, for support and repair of the common area and all other units.

(b) Easements, appurtenant to the common area for encroachment upon the air space of the unit by those portions of the common area located within the unit.

Parcel Two:

An undivided 1/24 interest in and to the common area as shown and defined on the plan, excepting therefrom the following:

- (a) Exclusive easements, other than Parcel Three, as shown and reserved for use to units in the plan.
- (b) Non-exclusive easements appurtenant to all units for ingress and egress, support, repair and maintenance.

Parcel Three:

(a) The exclusive easement to use the roof equipment area(s) designated E-505 on the Plan.

Parcel Four:

A non-exclusive easement appurtenant to Parcel One above for support, repair and maintenance, and for ingress and egress through the common area in accordance with California Civil Code Section 4505 (A), Parcel Five:

Encroachment easements appurtenant to the unit in accordance with the provisions of the declaration.

APN: 3505-082 (formerly 3505-020)

**Parcel AC:**

Parcel One:

**Unit 204** (the "Unit") as shown and described in the Commercial Condominium Plan for 42 Otis Street, recorded on August 10, 2021 as [Document No. 2021129760](#), in the City and County of San Francisco, State of California (together with any amendments thereto, collectively, the "Plan"), comprising a portion of Lot 1 on "Final Map No. 10166", filed May 3, 2021, in [Book 1 of Final Maps, at Pages 192 to 195](#), inclusive, in the Office of the San Francisco County Recorder, State of California (the "Map").

Reserving therefrom, for the benefit of Granter and its successors in interest and assignees, together with the right to grant and transfer all or a portion of the same, nonexclusive easements for access, ingress, egress, encroachment, enforcement, support, completion, maintenance, drainage, use, enjoyment, repairs, public service use, and for the installation, maintenance and repair of utilities and similar facilities (including, but not limited to, electrical, telephone, gas, water and sewer lines, utility meters, storm drains, street lights, mail boxes, fire hydrants, monuments and signs), and for other purposes, all as may be shown on the plan and the map, and

as described in the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for 42 Otis Street Commercial Condominiums, recorded on August 10, 2021, as [Document No. 2021129756](#) (together with any amendments thereto, collectively, the "Declaration"), in Official Records. Capitalized terms used in this legal description shall have the meanings given them in the declaration, unless otherwise defined herein.

Also reserving therefrom, for the benefit of Grantor, its successors in interest, and assigns, the right to enter the Unit (i) to comply with requirements for the recordation of subdivision maps or lot line adjustments in the Commercial Project, (ii) for repair of Improvements, (iii) to accommodate grading or construction activities, (iv) to comply with requirements of applicable governmental agencies, and (v) as may be reasonably necessary to complete improvements on the unit (including relocation as necessary) as determined by grantor in its sole discretion. Grantor shall provide reasonable notice to grantee before such entry, except for emergency situations which shall not require prior notice but shall require notice to grantee within Seven (7) days after such entry was made. For purposes hereof, an "emergency" is deemed to exist where there is an imminent threat of injury to persons or damage to property. If grantee does not comply with grantor's rights hereunder, grantor may enforce its rights in a court of law. The prevailing party in such dispute shall be entitled to all damages arising out of such failure to comply, including attorneys' fees and court costs. The term of this reservation of right of entry shall automatically expire on the date that is Ten (10) years from the last Close of Escrow for the sale of a unit in the Commercial Project.

Further reserving therefrom, for the benefit of 42 Otis Commercial Condominium Association, a California nonprofit mutual benefit corporation, nonexclusive easements for ingress, egress, access, encroachment, support, maintenance, repairs, replacement, restoration, drainage, enforcement and all other purposes as set forth in the declaration.

#### Parcel Two

**An undivided 10.3%** fee simple interest as a tenant in common in the Commercial Common area in the Commercial Project appurtenant to the Unit and described in the plan. The Commercial Common Area is located above the real property described in the Plan.

#### Parcel Three

Nonexclusive easements for access, egress, ingress, use, enjoyment, drainage, encroachment support, maintenance, repairs and for other purposes, all as described and reserved in the Declaration, the Plan and the Map. APN: 3505-058 (formerly 3505-020)

APN: [Block 3505 Lot 020](#)

**EXHIBIT B****DESCRIPTION OF ACCEPTED PERSONAL PROPERTY**

<b>Unit #</b>	<b>Description</b>
303	Forest green Rocking chair
303	Handmade Tufted Wool Rug
303	LED Task Floor Lamp
303	Glostad Sofa
303	Tension Curtain Rod x10
303	Night Stand x3
303	Key Lock Box
303	Small Round Dining Room Table
303	Side Chair
303	Silverware Set
303	Kitchen Utensils
303	Cutting Board
303	Microfiber towels
303	Non-stick cookware set
303	Cookware set
303	Bowls with Pour Spout
303	Dinnerware set
303	Knife Set
303	Coffee Maker
303	Area Rugs
303	Blue fabric Sofa
206	Bed Mattress
206	TV
206	Upholstered Bed frame
206	Outdoor Chair
206	Sofa
206	Night stand
402	Coffee Table
402	TV
402	Bed Mattress
402	Upholstered Bed frame
402	Night stand
402	Coffee Maker
402	amazon TV mount
402	soft linen 6 piece towel set
402	Knife set

402	utensil set
402	Cutting Board
402	Stainless Steel Silverware
402	Dinnerware Set
402	Cookware set
501	Wall art set x2
501	Artificial Leaf for decoration x6
501	Queen Pillow x6
501	Mattress Protector
501	Coffee Table
501	Pillow, High x6
501	Duvet Cover Pillow case x3
501	Bed Frame x3
501	night stand x3
501	Spring Mattress x3
501	Comforter x3
501	vase x3
501	Sheet Set x3
501	LED floor Lamp x3
507	Bed Mattress
507	Upholstered Bed frame
507	Night Stand
507	plastic cutting board
507	Cooking utensil set
507	Amazon Universal tv Mount
507	12 piece metalic knife set
507	Trash can
507	Silverware Set
507	6 piece towel set
507	Microfiber dish towel
507	Acrylic Drinking glass
507	Coffe Maker
507	Dinnerware set
507	Cookware set
507	Trash Waste Basket
Other	Glostad sofa
Other	Vikhammer Night stand x3
Other	Side Chair
Other	Area rug x2

Other	Fabric Sofa x2
Other	Ikea cups and Bedding for Furnished Units
Other	TVs x3
Other	Fabric Sofa x2
Other	Artificial Leaf for decoration x6
Other	Duvet Cover Pillow case x3
Other	Couch
Other	Curtains and office Chair
Other	Blue Fabric Couch
Other	Tv Mount
Other	Amazon Fire TV x2
Other	Furniture for Otis Rentals
Other	Amazon Fire TV x2
Other	2 seat Modular Sofa x2
Other	arm chair outdoor x2
Other	Back Cushion Outdoor x2
Other	Metal outdoor Round Table
Other	West Elm Roof Furniture
Other	Wayfair Upholstered Bench
Other	Wayfair Alwyn Home Cornwall 12" Mattress
Other	Bluedot Jibe Outdoor Right Sectional Sofa
Other	Bluedot Toohey Breezy Blue Dining Chair
Other	Target tension rod, shower rod, & quilted Sheet Set
Other	Crate and Barrell Granada Garden Stool
Other	Dorado Teal Lounge Chair
Other	Target Ottoman, accent table, accessories
Other	Designio ContentoCB2 Mirror for Mockup unit
Other	Designio Contento IKEA shelf for Otis
Other	Ikea swivel chair x 3
Other	Ikea Esgerth cushion cover x3
Other	Ikea Fjader x9
Other	Ikea Fjader x9
Other	Ikea Mattress protector

**EXHIBIT C**

**GRANT DEED**

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

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

The undersigned hereby declares this instrument to be  
exempt from Recording Fees (CA Govt. Code § 27383)  
and Documentary Transfer Tax (CA Rev. & Tax Code  
§ 11922 and S.F. Bus. & Tax Reg. Code § 1105)

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

**GRANT DEED**

(Assessor's Parcel No. \_\_\_\_\_)

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

TOGETHER WITH any and all rights, privileges and easements incidental or  
appurtenant to the Property, including, without limitation, any and all minerals, oil, gas and other  
hydrocarbon substances on and under the Property, as well as any and all development rights, air  
rights, water, water rights, riparian rights and water stock relating to the Property, and any and all  
easements, rights-of-way or other appurtenances used in connection with the beneficial use and  
enjoyment of the Land and all of Grantor's right, title and interest in and to any and all roads and  
alleys adjoining or servicing the Property.

*[SIGNATURES ON FOLLOWING PAGE]*

Executed as of this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_, a \_\_\_\_\_

\_\_\_\_\_, By: \_\_\_\_\_  
NAME

Its: \_\_\_\_\_

\_\_\_\_\_, By: \_\_\_\_\_  
NAME

Its: \_\_\_\_\_

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

State of California                    )  
  ) ss  
County of San Francisco            )

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

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CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property located at \_\_\_\_\_ conveyed by the foregoing Grant Deed dated \_\_\_\_\_ to the City and County of San Francisco, a municipal corporation, is hereby accepted pursuant to Board of Supervisors' Resolution No. 18110 Series of 1939, approved August 7, 1957, and Resolution No. \_\_\_\_\_, approved \_\_\_\_\_, 20\_\_\_\_, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Andrico Q. Penick  
Director of Property

**EXHIBIT A**

**REAL PROPERTY DESCRIPTION**

All that certain real property located in the County of San Francisco, State of California, described as follows:

**[LEGAL DESCRIPTION TO COME FROM PRELIMINARY REPORT]**

**EXHIBIT D**

**BILL OF SALE**

For good and valuable consideration the receipt of which is acknowledged, COSTANOAN LLC, a Delaware limited liability company (“**Seller**”), does hereby sell, transfer and convey to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**Buyer**”), all personal property (“**Personal Property**”) owned by Seller and located on or in or used in connection with the Land and Improvements (as such terms are defined in that certain Agreement of Purchase and Sale of Real Estate dated as of \_\_\_\_\_, 2023, between Seller and Buyer (or Buyer's predecessor in interest), in its as-is condition, as described in the attached Schedule 1.

Seller hereby represents to Buyer that Seller is the lawful owner of such Personal Property, that such Personal Property is free and clear of all encumbrances, and that Seller has good right to sell such Personal Property and will warrant and defend the title thereto unto Buyer, its successors and assigns, against the claims and demands of all persons whomsoever. DATED \_\_\_\_\_, 2023.

SELLER:

COSTANOAN LLC, a Delaware limited liability company

By: \_\_\_\_\_  
[NAME]

Its: \_\_\_\_\_

**EXHIBIT E**

**ASSIGNMENT OF CONTRACTS,  
WARRANTIES AND GUARANTIES,  
AND OTHER INTANGIBLE PROPERTY**

THIS ASSIGNMENT is made and entered into as of \_\_\_\_\_, 2023, by and between COSTANOAN LLC, a Delaware limited liability company (“**Assignor**”), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**Assignee**”).

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is acknowledged, effective as of the Closing Date (as defined in the Purchase Agreement), Assignor assigns and transfers to Assignee all of Assignor's right, title, claim and interest in and under to the extent assignable:

- A. the contracts listed in the attached Schedule 1 (the “**Contracts**”)
- B. all warranties and guaranties made by or received from any third party with respect to any building, building component, structure, system, fixture, machinery, equipment, or material situated on, contained in any building or other improvement situated on, or comprising a part of any building or other improvement situated on, any part of that certain real property described in the attached Exhibit A including, without limitation, those warranties and guaranties listed in the attached Schedule 2 (collectively, “**Warranties**”);
- C. any other Intangible Property (as defined in that certain Agreement of Purchase and Sale of Real Estate dated as of \_\_\_\_\_, 20\_\_\_\_, between Assignor and Assignee (or Assignee's predecessor in interest) (the “**Purchase Agreement**”).

ASSIGNOR AND ASSIGNEE FURTHER HEREBY AGREE AND COVENANT AS FOLLOWS:

- 1. Assignor will indemnify Assignee against and hold Assignee harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating prior to the Closing Date and arising out of the Assignor's obligations under the Contracts.
- 2. Except as otherwise set forth in the Purchase Agreement, effective as of the Closing Date, Assignee hereby assumes all of the owner's obligations under the Contracts and agrees to indemnify Assignor against and hold Assignor harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating on or subsequent to the Closing Date and arising out of the Assignor's obligations under the Contracts.
- 3. In the event of any litigation between Assignor and Assignee arising out of this Assignment, the losing party shall pay the prevailing party's costs and expenses of such litigation, including, without limitation, reasonable attorneys' fees.
- 4. This Assignment will be binding on and inure to the benefit of the parties to this Assignment, their heirs, executors, administrators, successors in interest and assigns.
- 5. This Assignment is governed by and construed in accordance with the laws of the State of California and the City’s Charter and Municipal Code.

6. This Assignment may be executed in two (2) or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

*[SIGNATURES ON FOLLOWING PAGE]*

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

ASSIGNOR:

COSTANOAN LLC, a Delaware limited liability company

By: \_\_\_\_\_  
[NAME]

Its: \_\_\_\_\_

ASSIGNEE:

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_  
Andrico Q. Penick  
Director of Property

APPROVED AS TO FORM:

DAVID CHIU, City Attorney

By: \_\_\_\_\_  
Jessie Alfaro-Cassella  
Deputy City Attorney

**EXHIBIT A**

**REAL PROPERTY DESCRIPTION**

All that certain real property located in the County of San Francisco, State of California, described as follows:

**[LEGAL DESCRIPTION TO COME FROM PRELIMINARY REPORT]**

**SCHEDULE 1**  
**CONTRACTS**

**SCHEDULE 2**  
**WARRANTIES**

**EXHIBIT F**

**ASSIGNMENT OF LEASES**

THIS ASSIGNMENT is made and entered into as of \_\_\_\_\_, 20\_\_\_\_, by and between COSTANOAN LLC, a Delaware limited liability company (“**Assignor**”), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (“**Assignee**”).

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, effective as of the Closing Date (as defined in the Agreement for the Purchase and Sale of Real Property between Assignor, as Seller, and Assignee, as City, dated as of \_\_\_\_\_, 2023 (the “**Purchase Agreement**”)), Assignor hereby assigns and transfers to Assignee all of Assignor's right, title, claim and interest in and under certain leases executed with respect to that certain real property commonly known as 42 Otis Street, San Francisco, and more fully described in Exhibit A to the Purchase Agreement (the “**Property**”) as more fully described in Schedule 1 attached hereto (collectively, the “**Leases**”). Initially capitalized terms used but not defined in this Assignment have the meanings given to them in the Purchase Agreement.

ASSIGNOR AND ASSIGNEE FURTHER HEREBY AGREE AND COVENANT AS FOLLOWS:

1. Assignor represents and warrants that, as of the Closing Date, the attached Schedule 1 includes all of the Leases and occupancy agreements affecting any of the Property. As of the Closing Date, there are no assignments of or agreements to assign the Leases to any other party.
2. Assignor hereby agrees to indemnify Assignee against and hold Assignee harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating prior to the Closing Date and arising out of the landlord's obligations under the Leases.
3. Except as otherwise set forth in the Purchase Agreement, effective as of the Closing Date, Assignee hereby assumes all of the landlord's obligations under the Leases and agrees to indemnify Assignor against and hold Assignor harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating on or subsequent to the Closing Date and arising out of the landlord's obligations under the Leases.
4. Any rental and other payments under the Leases will be prorated between the parties as provided in the Purchase Agreement.
5. In the event of any litigation between Assignor and Assignee arising out of this Assignment, the losing party shall pay the prevailing party's costs and expenses of such litigation, including, without limitation, reasonable attorneys' fees.
6. This Assignment will be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.
7. This Assignment is governed by and will be construed in accordance with the laws of the State of California.

8. This Assignment may be executed in two (2) or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

*[SIGNATURES ON FOLLOWING PAGE]*

Assignor and Assignee have executed this Assignment as of the day and year first written above.

ASSIGNOR:

COSTANOAN LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
[NAME]

Its: \_\_\_\_\_

ASSIGNEE:

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_  
Andrico Q. Penick  
Director of Property

APPROVED AS TO FORM:

DAVID CHIU, City Attorney

By: \_\_\_\_\_  
Jessie Alfaro-Cassella  
Deputy City Attorney

**SCHEDULE 1**

**LEASES**

**EXHIBIT G**

**COMMERCIAL TENANT'S ESTOPPEL CERTIFICATE**

DATE: \_\_\_\_\_

TENANT: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PREMISES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

LEASE DATE: \_\_\_\_\_

COMMENCEMENT DATE: \_\_\_\_\_

EXPIRATION DATE: \_\_\_\_\_

TERM IN MONTHS: \_\_\_\_\_

DATE RENT AND OPERATING EXPENSE  
PARKING: \_\_\_\_\_

PAYMENTS ARE DUE: \_\_\_\_\_

OPTIONS: Check if you have any of these  
options or rights, and provide details in  
Sections 5 or 9 below.

\_\_\_\_\_ Extension Option  
\_\_\_\_\_ Termination Option  
\_\_\_\_\_ Expansion Option  
\_\_\_\_\_ Purchase Option

CURRENT MONTHLY PAYMENTS: \_\_\_\_\_

BASE RENTAL: \_\_\_\_\_

TAXES: \_\_\_\_\_

OP. EXP. CAP: \_\_\_\_\_

\_\_\_\_\_ Check here if you have rental escalations and provide details in Section 6 below:

SECURITY DEPOSIT: \_\_\_\_\_

THE UNDERSIGNED, AS TENANT OF THE ABOVE REFERENCED PREMISES  
("PREMISES") UNDER THE LEASE DATED AS OF THE ABOVE-REFERENCED LEASE  
DATE, BETWEEN \_\_\_\_\_  
("LANDLORD") AND TENANT, HEREBY CERTIFIES, REPRESENTS AND WARRANTS

TO THE CITY AND COUNTY OF SAN FRANCISCO (“CITY”), AND ITS ASSIGNEES, AS FOLLOWS:

1. Accuracy. All of the information specified above and elsewhere in this Certificate is accurate as of the date hereof.

2. Lease. The copy of the Lease attached hereto as Exhibit A is a true and correct copy of the Lease. The Lease is valid and in full force and effect. The Lease contains all of the understandings and agreements between Landlord and Tenant and has not been amended, supplemented or changed by letter agreement or otherwise, except as follows (if none, indicate so by writing “NONE” below):

3. Premises. The Premises consist of \_\_\_\_\_, and Tenant does not have any options to expand the Premises except as follows (if none, indicate so by writing “NONE” below): \_\_\_\_\_

4. Acceptance of Premises. Tenant has accepted possession of the Premises and is currently occupying the Premises. There are no unreimbursed expenses due Tenant including, but not limited to, capital expense reimbursements.

5. Lease Term. The term of the Lease commenced and will expire on the dates specified above, subject to the following options to renew or rights to terminate the Lease (if none, indicate so by writing “NONE” below): \_\_\_\_\_

6. Rental Escalations. The current monthly base rental specified above is subject to the following escalation adjustments (if none, indicate so by writing “NONE” below): \_\_\_\_\_

7. No Defaults/Claims. Neither Tenant nor Landlord under the Lease is in default under any terms of the Lease nor has any event occurred which with the passage of time (after notice, if any, required under the Lease) would become an event of default under the Lease. Tenant has no claims, counterclaims, defenses or setoffs against Landlord arising from the Lease, nor is Tenant entitled to any concession, rebate, allowance or free rent for any period after this certification. Tenant has no complaints or disputes with Landlord regarding the overall operation and maintenance of the property within which the Premises are located (the “Property”), or otherwise.

8. No Advance Payments. No rent has been paid in advance by Tenant except for the current month's rent.

9. No Purchase Rights. Tenant has no option to purchase, or right of first refusal to purchase, the Premises, the Property or any interest therein (if none, indicate so by writing “NONE” below): \_\_\_\_\_

10. Notification by Tenant. From the date of this Certificate and continuing until, Tenant agrees to notify City immediately of the occurrence of any event or the discovery of any fact that would make any representation contained in this Certificate inaccurate as of the date hereof or as of any future date.

11. No Sublease/Assignment. Tenant has not entered into any sublease, assignment or any other agreement transferring any of its interest in the Lease or the Premises.

12. No Notice. Tenant has not received notice of any assignment, hypothecation, mortgage, or pledge of Landlord's interest in the Lease or the rents or other payments payable

thereunder, except those listed below (if none, indicate so by writing "NONE" below):

13. Hazardous Materials. Tenant has not used, treated, stored, disposed of or released any Hazardous Materials on or about the Premises or the Property. Tenant does not have any permits, registrations or identification numbers issued by the United States Environmental Protection Agency or by any state, county, municipal or administrative agencies with respect to its operation on the Premises, except for any stated below, and except as stated below no such governmental permits, registrations or identification numbers are required with respect to Tenant's operations on the Premises. For the purposes of this Certificate, the term "Hazardous Material" means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Section 9601 et seq.) or pursuant to Section 25316 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; and petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids, and "source," "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. Section 3011 et seq.

14. No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time the Lease is terminated or expires by its own terms, and Tenant fully RELEASES AND DISCHARGES forever any and all claims against, and covenants not to sue, City, its departments, commissions, officers, directors, and employees, and all persons acting by, through or under each of them, under any legal requirements, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance legal requirements (including California Government Code Section 7260 et seq.).

15. Reliance. Tenant recognizes and acknowledges it is making these representations to City with the intent that City, and any of its assigns, will fully rely on Tenant's representations.

16. Binding. The provisions hereof shall be binding upon and inure to the benefit of the successors, assigns, personal representatives and heirs of Tenant and City.

17. Due Execution and Authorization. The undersigned, and the person(s) executing this Certificate on behalf of the undersigned, represent and warrant that they are duly authorized to execute this Certificate on behalf of Tenant and to bind Tenant hereto.

EXECUTED BY TENANT ON THE DATE FIRST WRITTEN ABOVE.

By:

\_\_\_\_\_  
[NAME]

\_\_\_\_\_  
[TITLE]

By:  
\_\_\_\_\_

[NAME]

---

[TITLE]

**EXHIBIT A**  
**COPY OF LEASE**

**RESIDENTIAL TENANT’S ESTOPPEL CERTIFICATE**

I, \_\_\_\_\_ (insert name),  
am a residential tenant and present occupant of 42 Otis, Unit # \_\_\_\_\_, San  
Francisco, CA (“Premises”) under a lease with Costanoan LLC (“Landlord”) attached hereto as  
Exhibit A. I have separately been informed that the City and County of San Francisco (“City”) intends to purchase the Premises and that no households will be required to move permanently from the property as a result of the City’s acquisition of the Premises.

I hereby certify, represent, and warrant to the City and its assignees as follows related to my lease with the Landlord:

**Tenant Contact Information:**

Phone Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_

**Lease Start Date:** \_\_\_\_\_

**Lease Expiration Date:** \_\_\_\_\_

**Monthly Rent Amount:** \_\_\_\_\_

**Monthly Rent Due Date:** \_\_\_\_\_

**Rent Currently Paid Through:** \_\_\_\_\_

**Rent Escalations Included in Lease (if applicable):**  
\_\_\_\_\_

**Security Deposit Amount:** \_\_\_\_\_

**Any Concessions Included in Lease (if applicable):**  
\_\_\_\_\_  
\_\_\_\_\_

**Utilities Included in Rent (if applicable):**  
\_\_\_\_\_

**Utilities Not Included in Rent (if applicable):**  
\_\_\_\_\_

**Parking Space(s) Included in Rent (if applicable):**  
\_\_\_\_\_

**Onsite Laundry Access (if applicable)?** \_\_\_\_\_

**Any Pets (if applicable):**

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**Any Reasonable Accommodations Granted by Landlord? (if you need more space, please provide a separate document as an attachment):**

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**Any Current Oral Agreements with Landlord? (if you need more space, please provide a separate document as an attachment):**

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**Any Existing Claims or Disputes with Landlord/Management? (if you need more space, please provide a separate document as an attachment):**

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1. Accuracy. All of the information specified above and elsewhere in this Estoppel Certificate is accurate as of the date signed.

2. Lease. A copy of my current lease, and any amendments thereto, is attached as Exhibit A and is a true and correct copy of my lease. The lease attached as Exhibit A is valid and in full force and effect under state and local law. The lease attached as Exhibit A contains all of the understandings and agreements between Landlord and myself, and has not been amended, supplemented, or changed by letter, agreement, or otherwise, except as described in Exhibit A. My only interest in the Premises is my lease.

3. Premises. I am currently leasing and occupying the Premises. Any work required to be performed by the Landlord under my lease has been completed in a safe and habitable manner and the result of such work is acceptable. There are no unreimbursed expenses due to me.

4. Rent. I have not paid any rent in advance under my lease except for the monthly rent that became due for the current month, and I have fully paid rent and all other amounts due under my lease through the date specified above.

5. Rent Payments After City Purchase. I will continue to pay my rent and any other payments required under my lease to the current property management agent, or to such other entity or address as the City or its agent directs in writing.

6. Rental Escalations. My lease provides that my current monthly rent rate specified above is subject to the rental escalation adjustments specified above, if any.

7. Security Deposit. Prior to my lease commencement, I paid the amount listed above to the Landlord as a security deposit. I understand that the Landlord will transfer my security deposit to the City upon the City's purchase of the Premises, unless I owe rent or any other payments to the Landlord pursuant to my lease, in which case such owed rent or other payments will be deducted from my security deposit and the balance (if any) of my security deposit will be transferred to the City as of the date of the City's purchase of the Premises.

8. No Defaults/Claims. Neither myself nor the Landlord is in default under any terms of my lease nor has any event occurred where the passage of time (after notice, if any, required under my lease) would become an event of default under my lease. I have no claims, counterclaims, defenses, or setoffs against Landlord arising from my lease, nor am I entitled to any concession, rebate, allowance, or free rent for any period after this certification. I have no complaints or disputes with Landlord regarding the overall operation and maintenance of the property located at 42 Otis Street, San Francisco, CA, except as noted above.

9. Offsets. I claim no offset, counterclaims, or credits against my rent, nor do I possess or assert any claims against the Landlord for any failure of performance of any of the terms of my lease, and the Landlord is not in default under my lease. Landlord has fulfilled all of its duties and obligations under my lease.

10. No Sublease/Assignment. I have not assigned or entered into any subleases of my lease. I have no notice of a prior assignment, hypothecation, or pledge of rents under my lease or of my lease.

11. Hazardous Materials. I have not used, treated, stored, disposed of, or released any hazardous materials on or about the Premises.

12. No Relocation Assistance; Waiver of Claims. I acknowledge that I will not be a displaced person at the time my lease is terminated or expires in accordance with its terms. I covenant not to sue and fully RELEASE AND DISCHARGE forever: any and all claims against the City, its departments, commissions, officers, directors, and employees, and all persons acting under any legal requirements by, through, or under each of them, including any and all claims for relocation benefits or assistance from the City under federal and state relocation assistance legal requirements (including California Government Code Section 7260 *et seq.*).

13. City Purchase. Upon Landlord's notice to me of the City's purchase of the Premises, I will be liable to, and recognize, the City as the landlord under my lease, and will be bound by and perform all of the obligations imposed by my lease on me, and the City will

succeed to all of the rights of the landlord under my lease. However, I acknowledge and agree that the City will not be liable for any act or omission of any person or party who may have been a landlord before the City's acquisition of the Premises, and the City will not be subject to any offset or defenses which I may have against any such prior landlord.

14. Notification by Tenant. I agree to immediately notify City of the occurrence of any event or the discovery of any fact that would make any representation contained in this Estoppel Certificate inaccurate as of the date signed and any future date therefrom.

15. Reliance. I recognize and acknowledge that I am making these representations to the City with the intent that the City, and any of its assigns, will fully rely on my representations.

16. Binding. I recognize and acknowledge that my representations and the provisions of this Estoppel Certificate shall be binding upon and inure to the benefit of the successors, assigns, personal representatives and heirs of myself and the City.

17. Due Execution and Authorization. The undersigned, and the person(s) executing this Estoppel Certificate on behalf of the Tenant, represent and warrant that they are duly authorized to execute this Estoppel Certificate on behalf of Tenant and to bind Tenant hereto.

18. Rental Assistance. If you need assistance with rent payments, there are resources available locally. Please visit the City and County of San Francisco's Mayor's Office of Housing and Community Development's rent relief resources page at: <https://sf.gov/information/rent-relief-resources> where you can find information on rent payment assistance, eviction defense, and housing counseling services.

[signature follows]

**Tenant has signed this Estoppel Certificate as of \_\_\_\_\_, 2023.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

**EXHIBIT A  
COPY OF LEASE**

Attached.

**EXHIBIT H**

**CERTIFICATE OF TRANSFEROR  
OTHER THAN AN INDIVIDUAL  
(FIRPTA Affidavit)**

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, the transferee of certain real property located in the City and County of San Francisco, California, that withholding of tax is not required upon the disposition of such U.S. real property interest by \_\_\_\_\_

\_\_\_\_\_, a \_\_\_\_\_ (“Transferor”), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);

2. Transferor's U.S. employer identification number is \_\_\_\_\_; and

3. Transferor's office address is \_\_\_\_\_

\_\_\_\_\_.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalty of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

Dated: \_\_\_\_\_, 20\_\_\_\_.

On behalf of:

\_\_\_\_\_,  
[NAME]

a \_\_\_\_\_

By: \_\_\_\_\_  
[NAME]

Its: \_\_\_\_\_

**EXHIBIT I**

**Intentionally Omitted.**

**EXHIBIT J**

**PROPERTY EXEMPTION NOTICE  
California Revenue and Tax Code Section 5082**

[San Francisco Assessor-Recorder  
1 Dr. Carlton B. Goodlett Place  
City Hall, Room 190  
San Francisco, CA 94102-4698]

Office of the Controller  
Budget and Analysis Division – Property Tax Unit  
1 Dr. Carlton B. Goodlett Place, Room 306  
San Francisco, CA 94102  
email: con.badproptax@sfgov.org

[insert date]

Re: City and County of San Francisco Acquisition of Property  
Notice of Property Tax Exemption Under CA Revenue and Tax Code § 5082

Dear \_\_\_\_\_[insert name of County Assessor and County Auditor]:

We write this letter to inform you that the City and County of San Francisco acquired the property described in the attached deed (the “Property”) on \_\_\_\_\_[Title Company to insert Closing Date] (the “Apportionment Date”).

In accordance with California Revenue and Tax Code §5082, we are notifying you of this acquisition, and request that you cancel property taxes for the remaining portion of the fiscal year following the Apportionment Date.

Please do not hesitate to contact the City’s Director of Property at the following address if you have any questions or need any further information:

Director of Property  
City and County of San Francisco  
25 Van Ness Avenue, 4th Floor  
San Francisco, CA 94102  
(p) 415-554-9860

Very truly yours,

\_\_\_\_\_  
Director of Property  
City and County of San Francisco

**Schedule 8.1(a)**

**List of Material and Physical Defects**

None.

**Schedule 8.1(m)**

**Seller's Environmental Disclosure**

1. Phase I - 42 Otis May 2016
2. Limited Site Investigation - June 6, 2016
3. Phase I ESA Report 42 Otis SF CA – May 3, 2016
4. Site Mitigation Plan - May 23, 2019
5. Site Mitigation Plan Approval Letter DPH – July 23, 2019
6. Covenant and Environmental Restriction - Recorded May 5, 2022
7. No Further Action Letter – Department of Public Health - June 17, 2022