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When recorded, mail to:
Mayor's Office of Housing and Community Development
of the City and County of San Francisco
1 South Van Ness Avenue, Fifth Floor
San Francisco, California 94103
Attn: Director

ASSIGNMENT OF GROUND LEASE

THIS ASSIGNMENT OF GROUND LEASE ("Assignment") is made and entered into as of this 21st day of May, 2015, by and between the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, also known as the Office of Community Investment and Infrastructure, a public body, organized and existing under the laws of the State of California ("Assignor" or "Successor Agency") and the City and County of San Francisco (the "City"), a municipal corporation, acting by and through the Mayor's Office of Housing and Community Development ("MOHCD" or "Assignee"), and acknowledged by Natoma Family Housing L.P., a California limited partnership ("Tenant").

WITNESSETH

A, On April 19, 2011, the Commission of the Redevelopment Agency of the City and County of San Francisco, a public body, corporate and politic, exercising its functions and powers and organized and existing under the Community Redevelopment Law of the State of California (the "SFRA"), approved by Resolution No. 51-2011, a Ground Lease (the "Lease") with 474 Natoma, LLC, a California limited liability company ("Natoma"), pursuant to which SFRA provided Natoma the right to lease the real property located at 474 Natoma Street and being a portion of Block 3725, Lot 101, as more particularly described in Exhibit A attached hereto (the "Property"), for 75 years (with a 24 year extension option) for the development of 60 units of affordable rental housing (the "Project"). The Lease was executed by Natoma and SFRA on April 19, 2011 and was assigned by Natoma to the Tenant pursuant to an Assignment and Assumption Agreement Regarding Ground Lease effective as of December 1, 2011. A memorandum of ground lease was recorded against the Property on December 21, 2011 as Instrument No. 2011J322085.

B. On February 1, 2012, the SFRA was dissolved pursuant to California Assembly Bill 26 ("AB 26") and the California Supreme Court's decision and order in the case entitled California Redevelopment Association et al. v. Ana Matosantos, and the successor entity to the SFRA became the City. Four months later, in June 2012, the California State Legislature passed a follow-up bill to AB 26, commonly called Assembly Bill 1484 ("AB 1484") (together with AB 26, "Redevelopment Dissolution Law"). Under AB 1484, the successor entity to the SFRA became a public entity that is separate from the City. The Successor Agency is also known as the Office of Community Investment and Infrastructure, or OCII. Under Redevelopment

Dissolution Law, the Successor Agency assumed all of the SFRA's enforceable obligations. The Successor Agency is charged with winding-down these enforceable obligations and disposing of all real property, pursuant to Redevelopment Dissolution Law, and subject to review by an oversight board and the California Department of Finance ("DOF"), which is the lead implementing agency under Redevelopment Dissolution Law. As a result of these legislative acts, the Successor Agency is a party to the Lease.

C. Pursuant to Dissolution Law, the Successor Agency may transfer housing assets to the designated housing successor agency, which for the City is MOHCD. Successor Agency has requested to assign the Lease to MOHCD for purposes consistent with the development of the Project. In its request, MOHCD explained that San Francisco is currently facing a severe affordable housing crisis, with median rents and sales prices among the highest in the state, and that the funding of affordable housing projects in areas like the South of Market District, which is encountering significant economic displacement of businesses and residents, is a high priority. The request also outlined Mayor Ed Lee's goal of creating 30,000 new or rehabilitated units, including 10,000 permanently affordable units.

D. On September 8, 2014, the Oversight Board, consistent with its authority under AB 26, by Resolution No. 6-2014, also approved the transfer of the Project and assignment of the Lease to MOHCD. The OCII Oversight Board determined that assignment of the Lease to MOHCD would help wind down the Former Agency's activities by transferring responsibility for asset management of the Project to MOHCD.

E. Under Redevelopment Dissolution Law, DOF must receive notice and information about all Oversight Board actions, which do not take effect until DOF has either not requested review within five days of the notice or requested review and approved the action within 40 days of its review request. On September 18, 2014, the Successor Agency provided a copy of Oversight Board Resolution No. 101-0502014-014 to DOF, which detailed the Oversight Board approval of the transfer of the Project and assignment of the Lease to MOHCD. DOF approved the OCCII Oversight Board action in a letter dated December 23, 2014.

F. Assignor and Assignee now wish to enter into the Assignment to transfer all right, title, interest, obligations, duties, and responsibilities of the Assignor under the Lease to Assignee.

AGREEMENT

1. NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows: The Assignor does hereby irrevocably and unconditionally assign, transfer, set over and convey unto the Assignee all of the Assignor's right, title, privilege and interest in and to the Lease.
2. Assignor has provided to Assignee a complete and accurate copy of the Lease and any amendments thereto.
3. Assignor shall indemnify Assignee against and hold Assignee harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating before the Effective Date and arising out of the landlord's obligations under the Lease.
4. As of the Effective Date, Assignee assumes all of the landlord's obligations under the Lease and shall indemnify, defend and hold Assignor harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable

attorneys' fees), originating on or after the Effective Date and arising out of the landlord's obligations under the Lease.

5. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.
6. All notices required to be provided to landlord under the Lease shall now be delivered to the following notice address:

Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Director

7. Pursuant to Section 14.02 of the Lease, the Tenant hereby acknowledges this Assignment and agrees to be bound to Assignee according to the terms, covenants and conditions of the Lease for the balance of the Lease Term. Tenant agrees to attorn to Assignee as "Landlord," with the attornment being effective and self-operable immediately upon Assignee's succession to Landlord's interest under the Lease, all without the execution by the parties of any further instruments.
8. This Assignment shall become is effective on the date on which both parties have duly executed this Assignment, and in any event no earlier than the date that the San Francisco Board of Supervisors and Mayor approves the resolution accepting the assignment of the Lease.

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

ASSIGNOR:

Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California

By: 

Tiffany Bohee
Executive Director

ASSIGNEE:

City and County of San Francisco, a municipal corporation

By: 

Olson Lee
Director
Mayor's Office of Housing and
Community Development

APPROVED AS TO FORM:

By: 

James B. Morales
General Counsel

APPROVED AS TO FORM:

Dennis J. Herrera, City Attorney

By: 

Evan Gross
Deputy City Attorney

Authorized by Oversight Board Resolution No 6-2014, adopted September 8, 2014.


ACKNOWLEDGED & AGREED TO BY:

Natoma Family Housing, L.P., a California limited partnership

By: 474 NATOMA LLC, its general partner

By: BRIDGE Homes, Inc.,

a California nonprofit public benefit corporation, its sole member

By:  _____

Its Vice President _____

EXHIBIT A

Legal Description of the Property

THE FOLLOWING LAND SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:.

Lot No. 101, as shown on the Map entitled, "Parcel Map Merger and Resubdivision of Lot 23, 24, 27, 55, 56, 57, 58, 59, and 65. A Portion of Assessor's Block 3725 Being a Portion of 100 Vara Block No. 381, San Francisco, California", filed October 26, 1995 in the office of the Recorder of the City and County of San Francisco, State of California, in Book 42, of Parcel Maps, Page 110.

Street Address:

474 Natoma Street, San Francisco, CA