AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

by and between

KAISER FOUNDATION HOSPITALS

as Seller

and

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

as Buyer

For the purchase and sale of

One permanent subsurface easement and one temporary construction easement across, in, and upon parcels of real property located in the City of South San Francisco, County of San Mateo, State of California

April _, 2015

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LIST OF EXHIBITS

Easement Deed for permanent Telephone and Electrical Easement 2A with attached legal description of Easement Area to be conveyed thereby. EXHIBIT A

Easement Deed for Temporary Construction Easement 2E with attached legal description of Easement Area to be conveyed thereby. **EXHIBIT B**

Preliminary Title Report **EXHIBIT C**

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE (this "Agreement") dated for reference purposes only as of April ___, 2015, is by and among KAISER FOUNDATION HOSPITALS, a California non-profit public benefit corporation ("Seller"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City").

RECITALS

- A. Seller owns one parcel of real property located at 1200 El Camino Real, South San Francisco, California 94080 and commonly known as Assessor's Parcel 010-292-210 referred to in this Agreement as the "Seller's Property."
- B. In connection with the Regional Groundwater Storage and Recovery Project (the "Project") of City's Public Utilities Commission, City wishes to purchase, and Seller wishes to sell certain easement interests in, on, over, under, upon, along, and/or across certain portions of Seller's Property in accordance with, and pursuant to, the terms and conditions of this Agreement.

IN CONSIDERATION of the respective agreements set forth below, Seller and City agree as follows:

1. PURCHASE AND SALE

1.1 Purchase and Sale of Easements

Seller agrees to sell and convey to City or its designee, and City agrees to purchase from Seller, subject to the terms, covenants, and conditions set forth below, the following interests in real property (each, an "Easement" and collectively, the "Easements"):

- (a) a permanent subsurface easement for telephone and electrical utility purposes (the "Telephone and Electrical Easement") under, across, in, and upon portions of the Seller's Property; and
- (b) a temporary construction easement (the "TCE") over, across, in, and upon portions of the Seller's Property.

The real property interests to be acquired by City pursuant to this Agreement are referred to herein individually as an "Easement Area" and collectively as the "Easement Areas."

1.2 Easement Areas; Nature of Easement

The Easement Areas consist of those portions of Seller's Property described and depicted in respective exhibits to each of the easement deeds attached as <u>Exhibits A and B</u> (each a "Deed," and collectively, the "Deeds"). The nature, scope, and conditions of each Easement are set forth in the respective Deed with respect to such Easement.

2. PURCHASE PRICE

2.1 Purchase Price

(a) The purchase price for the Telephone and Electrical Easement is ELEVEN THOUSAND ONE HUNDRED SIXTY AND NO 1/100 DOLLARS (\$11,160.00).

(b) The purchase price for the TCE is FORTY TWO THOUSAND SIX HUNDRED NINETY ONE AND NO 1/100 DOLLARS (\$42,691.00).

Accordingly, the total rounded purchase price for the Easements is FIFTY THREE THOUSAND NINE HUNDRED AND NO 1/100 DOLLARS (\$53,900.00) (the "Purchase Price").

2.2 Payment

On the Closing Date (defined in <u>Section 5.3</u> [Closing Date]), City shall pay the Purchase Price, adjusted pursuant to the provisions of <u>Article 6</u> [Expenses], and reduced by any credits due City under this Agreement.

2.3 Funds

All payments made pursuant to this Agreement shall 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. Unless the parties elect to close the transaction without an escrow, payments shall be made to Escrow Holder (defined in Section 5.2 [Escrow; Closing Without an Escrow]), as the escrow agent.

3. CONVEYANCE OF EASEMENT

3.1 Easement Deeds

At the Closing defined in <u>Section 5.1</u> ["Closing" Defined]), Seller shall convey to City marketable and insurable title to the Easements, by delivery of the Deeds, each duly executed and acknowledged in the forms of the attached as <u>Exhibits A and B</u> free and clear of all exceptions, liens, and encumbrances except solely for the Accepted Conditions of Title (defined in <u>Section 3.2</u> [State of Title]). Each Deed shall be executed and delivered to City in a recordable form. City may record each of the Deeds in the San Mateo County's Recorder's Office except, because of the temporary nature of the TCE to be granted as described in <u>Exhibit B</u>, the Deed with respect to such Easement shall not be recorded unless, prior to the expiration of the term of such Deed, Seller materially breaches the terms of this Agreement or such Deed and City provides written notice of such breach to Seller and Seller fails to cure such breach within fourteen (14) days of its receipt of such notice.

3.2 State of Title

"Accepted Conditions of Title" shall mean (a) the lien of real property taxes, not yet due or payable; and (b) exceptions numbered 4 through 7 and 9 through 23 of the preliminary title report dated October 17, 2014, bearing Title No. FWTO-4071400369-JM attached as **Exhibit C**. As a condition precedent to City's obligation to purchase the Easements, quitclaim deeds, a spousal waiver, lender's consents or subordinations, tenants' consents, or similar releases sufficient to clear or subordinate any possessory rights over the Easement Areas may be required, at City's election, in form approved by City. Seller agrees to secure any such waiver, quitclaim deeds, consents, subordinations, or releases.

4. CONDITIONS TO CLOSING

4.1 City's Conditions to Closing

The following are conditions precedent to City's obligation to purchase the Easements (collectively, "Conditions Precedent"):

- (a) The physical condition of all portions of the Easement Areas shall be substantially the same on the Closing Date as on the date of City's execution of this Agreement, reasonable wear and tear and loss by casualty excepted (subject to the provisions of Article 8 [Risk of Loss]), and as of the Closing Date, to the knowledge of Seller, there shall be no litigation or administrative agency or other governmental proceeding, pending or threatened, that after the Closing could materially adversely affect the value of the Easements or the ability of City to use all portions of the Easement Areas for their respective intended use, and to the knowledge of Seller no proceedings shall be pending or threatened that could or would cause the change, re-designation or other modification of the zoning classification of, or of any building or environmental code requirements applicable to, any portions of the Easement Areas. Subject to Seller's express warranties and representations set forth in Section 7 of this Agreement, City hereby acknowledges and agrees that the Easements to be purchased, conveyed, and accepted by City are in their present condition, "AS IS", "WHERE IS" AND WITH ALL FAULTS, and that no patent or latent defect in the Easement Areas, whether or not known or discovered, shall affect the rights of either Seller or City under this Agreement.
- (b) Seller shall have delivered signed originals of any documents required under <u>Section 3.2</u>, and, unless the parties elect to consummate the transaction without an escrow, Escrow Holder shall be committed at the Closing to issue to City CLTA owner's policy of title insurance (the "**Title Policy**") in the amount of the Purchase Price, insuring title to the Easements vested in City free of all exceptions, liens, and encumbrances except only the Accepted Conditions of Title. The Title Policy shall contain such special endorsements as City may reasonably request.
- (c) The transactions contemplated by this Agreement shall have been approved by all applicable City departments and agencies, including, without limitation, the San Francisco Public Utilities Commission, at their respective sole discretion, within sixty (60) days after Seller executes and delivers this Agreement to City.
- (d) If required by City's Charter, the City's Mayor and the Board of Supervisors, at the sole discretion of each, shall have enacted a resolution approving, adopting, and authorizing this Agreement and the transactions contemplated by this Agreement, within ninety (90) days after Seller executes and delivers this Agreement to City.
- (e) Seller shall have delivered the items described in <u>Section 5.4</u> below [Seller's Delivery of Documents] on or before the Closing.

The Conditions Precedent contained in the foregoing subsections (a) through (e) are solely for City's benefit. If any Condition Precedent is not satisfied, City shall have the right at its sole discretion either to waive in writing the Condition Precedent in question and proceed with the purchase with respect to one or more of the Easements (provided that the Conditions Precedent described in items (c) and (d) above may not be waived except insofar as City elects to extend the deadline for satisfying such item) or, in the alternative, terminate this Agreement. The waiver of any Condition Precedent shall not relieve Seller of any liability or obligation with respect to any representation, warranty, covenant, or agreement of Seller. In addition, the Closing Date may be extended, at City's option, for a reasonable period of time specified by City, to allow such 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 any such Conditions Precedent remain unsatisfied.

If the sale of the Easements, or any of them, is not consummated because of a default under this Agreement on the part of Seller or if a Condition Precedent cannot be fulfilled because Seller frustrated such fulfillment by some affirmative act or negligent omission, City may, at its sole election, either (1) terminate this Agreement by delivery of notice of termination to Seller,

whereupon Seller shall pay to City any title, escrow, reasonable legal, and inspection fees incurred by City, and neither party shall have any further rights or obligations hereunder, or (2) continue this Agreement with respect to one or more of the Easements pending City's action for specific performance and/or damages hereunder, including, without limitation, City's costs and expenses incurred hereunder.

4.2 Cooperation with City

Seller shall cooperate with City and do all acts as may be reasonably requested by City with regard to the fulfillment of any Conditions Precedent including, without limitation, execution of any documents, applications, or permits, but Seller's representations and warranties to City shall not be affected or released by City's waiver or fulfillment of any Condition.

5. CLOSING AND POSSESSION

5.1 "Closing" Defined

The consummation of the purchase and sale contemplated hereby (the "Closing") shall occur as provided in this <u>Article 5</u>.

5.2 Escrow; Closing Without an Escrow

- (a) Unless the parties agree to consummate the purchase and sale without an escrow as provided in subparagraph (b) below: (i) On or before the Effective Date (as defined in Section 11.17 [General Provisions]), the parties shall open escrow by depositing an executed counterpart of this Agreement with Chicago Title Company at its offices at 1929 Market Street, San Francisco, California 94104 ("Escrow Holder"); (ii) this Agreement shall serve as instructions to Escrow Holder as the escrow holder for consummation of the purchase and sale contemplated hereby; (iii) Seller hereby authorizes City to prepare and submit supplemental escrow instructions in accordance with this Agreement on behalf of both parties, as needed; and (iv) the Closing shall be held and delivery of all items to be made at the Closing under this Agreement shall be made at Escrow Holder's offices.
- (b) Notwithstanding the foregoing, the parties may elect by mutual agreement to consummate the purchase and sale without an escrow, in which event the Closing shall occur as described in Section 5.7(b).

5.3 Closing Date

The Closing shall occur ninety (90) days after the Effective Date (as defined in Section 11.17) or on such earlier date as City and Seller may mutually agree (the "Closing Date"), subject to the provisions of Article 4 [Conditions Precedent]. The Closing Date may not 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 Closing Date and the parties have deposited documents or funds in escrow, Escrow Holder shall, unless it is notified by both parties to the contrary within five (5) business days after the Closing Date, return such items to the depositor thereof.

5.4 Seller's Delivery of Documents

- (a) At or before the Closing, Seller shall deliver or cause to be delivered to City the following:
 - (i) each of the duly executed and acknowledged Deeds;

- (ii) such resolutions, authorizations, or other documents as City may reasonably require to demonstrate the authority of Seller to enter into this Agreement and consummate the transactions contemplated hereby, 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;
- (iii) any documents needed in order to eliminate title exceptions other than Accepted Conditions of Title; and
- (iv) a closing statement in form and content satisfactory to City and Seller (which may be in the form of a letter or memorandum from City, countersigned by Seller, if the parties elect to consummate the transaction without an escrow).

Seller shall also deliver a properly executed California Franchise Tax Board Form 590 certifying that Seller is a California resident (if Seller is an individual) or that 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 California Revenue and Taxation Code. Seller acknowledges and agrees that if Seller fails at Closing to deliver to City such certificate, City may be required to withhold and remit to the appropriate tax authority a portion of the Purchase Price pursuant to Section 18662 of the California Revenue and Taxation Code. Any amount properly so withheld and remitted shall be deemed to have been paid by City as part of the Purchase Price, and Seller's obligation to consummate the transaction contemplated herein shall not be excused or otherwise affected thereby.

(b) Seller shall deliver such items to Seller through escrow, unless the parties elect to close the transaction without an escrow in which event Seller shall deliver the items directly to City for a Closing in accordance with <u>Section 5.7(b)</u>.

5.5 City's Delivery of Documents and Funds

- (a) At or before the Closing, City shall deliver to Seller the following:
 - (i) a certificate of acceptance, executed by City's Director of Property, to be attached to each of the Deeds;
 - (ii) a closing statement in form and content satisfactory to City and Seller (which may be in the form of a letter or memorandum from City to Seller if the parties elect to consummate the transaction without an escrow);
 - (iii) funds sufficient to pay City's share of expenses under Article 6; and
 - (iv) the Purchase Price, as provided in Article 2 hereof.
- (b) City shall deliver such documents and funds through escrow; however, if the parties elect to consummate the transaction without an escrow, City shall deliver the funds and documents as provided in <u>Section 5.7(b)</u>.

5.6 Other Documents; Cooperation

Seller and City shall perform such further acts and execute and deliver such additional documents and instruments as may be reasonably required in order to carry out the provisions of this Agreement and the intentions of the parties.

5.7 Closing

- (a) Closing through Escrow. Subject to Section 5.7(b), at Closing, provided all the conditions to the parties' obligations have been satisfied or waived as provided and permitted by this Agreement, Escrow Holder shall perform the following acts in the following order:
 - (i) Perform such acts as are necessary in order to deliver title to City subject only to the Accepted Conditions of Title, including recording any deed of reconveyance, subordination agreement, or other documentation as specified in supplemental escrow instructions submitted by City before Closing.
 - (ii) Deliver the Deeds to City;
 - (iii) Deliver to Seller, or as Seller may instruct, the Purchase Price, less any amount necessary to satisfy any liens, bond demands, delinquent taxes, and Seller's share of expenses and prorations under <u>Article 6</u>;
 - (iv) Issue the Title Policy to City, if requested to do so by City; and
 - (v) Deliver to the appropriate party any other documents, instruments, and sums required by this Agreement.
- (b) Closing without Escrow. If the parties elect to consummate the purchase and sale without an escrow, City shall effect the Closing on the Closing Date as follows:
 - (i) City shall: (A) deliver to Seller, or as Seller may instruct, the Purchase Price (less any amount necessary to satisfy any liens, bond demands, delinquent taxes, and Seller's share of expenses and prorations, if applicable, under Article 6), and (B) cause each respective certificate of acceptance for the Deeds to be executed, when:
 - (1) City has received Seller's documents in accordance with Section 5.4, and
 - (2) City has received each of the Deeds conveying the Easements to City duly acknowledged and in a recordable form, subject only to the Accepted Conditions of Title, obtain the Title Policy (if City elects to do so), and deliver to the appropriate party any other documents, instruments, and sums required by this Agreement.

5.8 Possession and Use

The right of possession and use of each the Easement Areas by City and/or its designees, including the right to remove and dispose of improvements and install and connect utilities, shall commence on the Closing Date except, with respect to the TCE only, shall commence on the date City's contractor first enters the Easement Area of the TCE to commence staging for the Project (the "Possession Date"), which may occur before the Closing Date. Prior to entering the Easement Area for the TCE prior to the Closing Date, City shall cause its general contractor engaged to perform Project construction work to procure and maintain through the term of the TCE general liability insurance policy in a general aggregate amount not less than \$2,000,000, written on an occurrence basis, covering bodily injury, death, and property damage to the extent arising out of or relating to City's use of the Easement Area for the TCE and shall name Seller as an additional insured. The Purchase Price includes but is not limited to full payment for such possession and use, including interest if any from such date, notwithstanding any other provision

of this Agreement. City shall provide Seller with at least thirty (30) days' advance written notice of the Possession Date together with a certificate of insurance, in form reasonably satisfactory to Seller, evidencing compliance with the insurance requirements of this Section 5.8. In addition, City shall indemnify, defend, and hold Seller harmless from and against any and all claims, judgments, liabilities, losses, damages, penalties, fines, or costs (including, but not limited to, reasonable attorney's fees) that arise prior to Closing to the extent resulting from City's use of the Easement Area of the TCE.

6. EXPENSES; PRORATIONS

6.1 City's Expenses

City shall pay all escrow fees and title insurance charges, if any. In addition, City shall pay for its pro-rata share of property taxes for its portion of Seller's Property as a result of the purchase of the Easements after the Closing Date.

6.2 Seller's Expenses

Seller shall pay all costs incurred in connection with the prepayment or satisfaction of any loan, bond or other indebtedness secured in whole or part by any portion of the Easement Areas including, without limitation, any prepayment or delinquency fees, penalties, or charges. Seller shall also pay at the Closing any delinquent taxes that may have become a lien against Seller's Property.

6.3 Other Expenses

Any other costs and charges of the Escrow not otherwise provided for in this Article or elsewhere in this Agreement shall be allocated in accordance with the closing customs for San Mateo County, as determined by Escrow Holder.

7. REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to and covenants with City as follows:

- (a) Ownership of Property. Seller is the sole fee owner of Seller's Property, and will own it at the time of the Closing, free and clear of all liens, leases, occupancy agreements, claims, encumbrances, easements, and rights of way of any nature (whether disclosed in the public record or not), except only the Accepted Conditions of Title.
- (b) Signing Authority. Seller and the signatories on Seller's behalf represent and warrant that the signatories on Seller's behalf to this Agreement are authorized to enter into this Agreement to convey real property and that no other authorizations are required to implement this Agreement on behalf of Seller.
- (c) No Leases. There are now, and will be at the Closing, no oral or written leases, occupancy agreements, licenses, or easements affecting any portion of the Easement Areas or that would affect City's access to or use as contemplated by the Deeds of any portion of the Easement Areas.
- (d) No Property Defects or Legal Violations. To the best of Seller's knowledge, there are now, and at the time of the Closing will be, no material physical defects of any portion of the Easement Areas, and no violations of any laws, rules, or regulations applicable to any portion of the Easement Areas.

- (e) No Impediments to Use. Seller knows of no facts nor has Seller failed to disclose any fact that would prevent City from using the Easements after Closing in the normal manner in which they are intended as more fully set forth in the Deeds.
- (f) No Lawsuits. To the best of Seller's knowledge, there are no lawsuits or proceedings pending or threatened against or affecting Seller, Seller's Property, or its use that would affect Seller's ability to consummate the sale contemplated by this Agreement or City's use and enjoyment of the Easements after the Closing.
- (g) No Known Hazardous Materials. To the best of Seller's knowledge, there has been no release and there is no threatened release of any Hazardous Material in, on, under or about Seller's Property. As used herein, "Hazardous Material" shall mean any material that, because of its quantity, concentration, or physical or chemical characteristics, is deemed by any federal, state, or local governmental authority to pose a present hazard to human health or safety or to the environment. "Release" or "threatened release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside any of the improvements, or in, on, under, or about the Easement Areas.

8. RISK OF LOSS

If any portion of the Easement Areas is damaged or destroyed before the Closing Date, then the rights and obligations of Seller and City under this Agreement shall be as follows: City shall have the right, at its election, to terminate this Agreement in its entirety or terminate it only as to that portion of the Easement Areas damaged or destroyed. City shall have thirty (30) days after Seller notifies City that an event described in this Article 8 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 Article 8, then City and Seller shall each be released from all obligations under this Agreement pertaining to that portion of the Easement Areas affected by such termination except with respect to any obligations relating to City's occupation prior to the Closing of the Easement Area for the TCE pursuant to Section 5.8 above. If City elects not to terminate this Agreement in its entirety, Seller shall give City a credit against the Purchase Price at the Closing in an amount proportionate to the percentage reduction, if any, of the square footage of the Easement Area, and this Agreement shall remain in full force and effect.

9. MAINTENANCE; CONSENT TO NEW CONTRACTS

9.1 Maintenance of the Easement Area

Between the date of Seller's execution of this Agreement and the Closing, Seller shall maintain Seller's Property in its current condition and shall make, at Seller's expense, all repairs necessary to maintain Seller's Property in such condition. Seller shall make no changes to the Easement Areas without City's prior, written consent, which shall not be unreasonably withheld, conditioned, or delayed.

9.2 Contracts Affecting the Easement Area

Except as otherwise provided in this Agreement or by express written permission granted by City, Seller shall not, after the date of execution of this Agreement, alienate, lien, encumber, or otherwise transfer Seller's Property or any portion thereof or allow the same to occur, or enter into any lease or contract with respect to Seller's Property or any portion thereof that would

survive the Possession Date and impair City's access to or use of any portion of the Easement Areas as contemplated by the Deeds.

10. DISMISSAL OF EMINENT DOMAIN ACTION

Seller hereby agrees and consents to the dismissal of any pending action in eminent domain by City as to Seller's Property or any portion thereof and Seller also waives all claims to court costs and any money that may now be on deposit in the Superior Court in such action.

11. GENERAL PROVISIONS

11.1 Notices

Any notice, consent, or approval required or permitted to be given under this Agreement shall be in writing and shall be given by (a) hand delivery, against receipt, (b) reliable next-business-day courier service that provides confirmation of delivery, or (c) United States registered or certified mail, postage prepaid, return receipt required, and addressed as follows (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):

City:

To:

San Francisco Public Utilities Commission 525 Golden Gate Avenue, 10th Floor

San Francisco, California 94102

Attention: Brian Morelli

Facsimile No.: (415) 487-5200

with copy to:

Richard Handel Deputy City Attorney Office of the City Attorney City Hall, Room 234

1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4682 Facsimile No.: (415) 554-4755 Seller:

To: Kaiser Permanente

Attn: Matt Harrison

Director-Corporate Real Estate, Northern California Region 1800 Harrison Street, 19th Floor

Oakland, CA 94612

Facsimile No.: (510) 625-6457

with a copy to: Robin Pearson, Esq.

Pearson & Schachter

1904 Olympic Boulevard, Suite 8

Walnut Creek, CA 94596 Facsimile: (925) 407-2742

and a copy to: Mark Zemelman, General Counsel,

Kaiser Foundation Hospitals One Kaiser Plaza, 19th Floor

Oakland, CA 94612

Facsimile No.: (510) 267-2161

A properly addressed notice transmitted by one of the foregoing methods shall be deemed received upon the confirmed date of delivery, attempted delivery, or rejected delivery, whichever occurs first. Facsimile numbers are provided above for convenience of communication; however, neither party may give official or binding notice by facsimile. The effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a telefacsimile copy of the notice.

11.2 Brokers and Finders

Neither party has had any contact or dealings regarding the Easements, or any of them, or any communication in connection with the subject matter of this Agreement, 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. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings, or communication, the party through whom the broker or finder makes his or her claim shall be responsible for such commission or fee and shall 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 shall survive the Closing.

11.3 Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators, and assigns, subject to Section 9.2 [Contracts Affecting the Easement Areas].

11.4 Amendments; Waivers

Except as otherwise provided herein, (a) this Agreement may be amended or modified only by a written instrument executed by City and Seller, (b) no waiver of any provision of this Agreement will be binding unless executed in writing by the party making the waiver, (c) no waiver of any provision of this Agreement will be deemed to constitute a waiver of any other provision, whether or not similar, and (d) no waiver will constitute a continuing waiver unless the written waiver so specifies.

11.5 Continuation and Survival of Representations and Warranties

All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement are intended to be, and shall remain, true and correct as of the Closing, shall be deemed to be material, and, together with all conditions, covenants, and indemnities made by the respective parties contained in this Agreement or made in writing pursuant to this Agreement (except as otherwise expressly limited or expanded by the terms of this Agreement), shall survive the execution and delivery of this Agreement for two (2) years 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 hereby shall constitute representations and warranties under this Agreement.

11.6 Governing Law

This Agreement shall be governed by California law and City's Charter. There shall be no obligation for the payment of money by City under this Agreement unless City's Controller first certifies, pursuant to Section 3.105 of City's Charter, that there is a valid appropriation from which the expenditure may be made and that unencumbered funds are available from the appropriation to pay the expenditure.

11.7 Merger of Prior Agreements; No Inducement

The parties intend that this Agreement (including all of the attached exhibits and schedules and any documents specifically described in this Agreement, which are hereby incorporated into this Agreement by reference) shall be the final, complete, and exclusive expression of their agreement with respect to the subject matter of this Agreement and may not be contradicted by evidence of any prior or contemporaneous oral or written agreements or understandings. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including, without limitation, term sheets and prior drafts or changes to such drafts) may be introduced in any judicial, administrative, or other legal proceeding involving this Agreement. The making, execution, and delivery of this Agreement by the parties has been induced by no representations, statements, warranties, or agreements other than those expressed in this Agreement.

11.8 Parties and Their Agents; Approvals

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

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 shall not affect the meaning or interpretation of any provision contained herein. Whenever the context so requires, the use of the singular shall be deemed to include the plural and vice versa, and each gender reference shall be deemed to include the other and the neuter. 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 or had the opportunity to be 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 shall be interpreted in a reasonable manner to effect the purposes of the parties and this Agreement.

11.10 Attorneys' Fees

The prevailing party in any action or proceeding to enforce or interpret, or otherwise arising out of or relating to, this Agreement or any provision of this Agreement (including but not limited to any arbitration, trial, administrative hearing, bankruptcy, or appeal) will be entitled to recover from the other party all of its costs and expenses, including but not limited to reasonable attorneys' fees and experts' fees. For purposes of this Agreement, reasonable attorneys' fees of the City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney.

11.11 Severability

If any term or provision of this Agreement, or the application of any term or provision of this Agreement to any person or circumstances, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and shall be enforceable to the extent permitted by law.

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 under this Agreement are public records subject to public disclosure. Seller hereby acknowledges that City may disclose any records, information, and materials submitted to 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 Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts that would constitute a violation of those provisions, and agrees that if Seller becomes aware of any such fact during the term of this Agreement, Seller shall immediately notify City.

11.14 Notification of Limitations 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 any land or building to or from the City whenever such transaction would require approval by a City and County of San Francisco elective officer or the board on which that elective officer serves, from making any campaign contribution to the officer at any time from the commencement of negotiations for such contract until the termination of negotiations for such contract or three (3) months has elapsed from the date the contract is approved by the City and County of San Francisco elective officer, or the board on which that elective officer serves.

11.15 Non-Liability

Notwithstanding anything to the contrary in this Agreement, no elective or appointive board, commission, member, officer, employee, agent, or consultant of City shall be personally liable to Seller, its successors and assigns, in the event of any default or breach by City or for any amount that may become due to Seller, its successors and assigns, or for any obligation of City under this Agreement. Notwithstanding anything to the contrary in this Agreement, no officer, director, employee, agent, or consultant of Seller shall be personally liable to City, its successors and assigns, in the event of any default or breach by Seller or for any amount that may become due to City, its successors and assigns, or for any obligation of Seller under this Agreement. In no event shall City and Seller be liable to the other party for any consequential, incidental, or special damages.

11.16 Counterparts

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

11.17 Effective Date

As used herein, the term "Effective Date" shall mean the date on which both parties shall have executed this Agreement provided the Agreement and the transactions contemplated by the Agreement shall have been authorized (a) in a manner required by law governing Seller, and (b) by a duly adopted resolution of the City's Public Utilities Commission, and (c) if required by City's Charter, by a duly adopted resolution of the City's Board of Supervisors and Mayor.

11.18 Exhibits.

The Exhibits referenced in this Agreement are attached to and made a part 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 PUBLIC UTILITIES COMMISSION (AND, IF REQUIRED BY CITY'S CHARTER, APPROPRIATE LEGISLATION OF CITY'S BOARD OF SUPERVISORS) SHALL HAVE BEEN DULY ENACTED APPROVING THIS AGREEMENT AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON THE DUE ENACTMENT OF SUCH LEGISLATION.

[Signatures on next page]

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

SELLI	ER:			
	ER FOUNDATION HOSPITALS, ornia non profit public benefit corporation	1		
By: Printed name & Title:	Sould	04/17/2015		
Seple:V	/ice President, National Facilities Ser	vices		
. 14+	enger Villager van de skrijver	•		
By: Printed name & Title:				
Date:				
	AND COUNTY OF SAN FRANCISCO, cipal corporation			
Ву:	JOHN UPDIKE Director of Property			888A
Date:			/	
APPR	OVED AS TO FORM:			
DENN	IS J. HERRERA, City Attorney			
Ву:	Richard Handel Deputy City Attorney			

ESCROW HOLDER'S ACKNOWLEDGMENT

[Applicable only when the parties will close the transaction through an escrow]

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

ESCROW HOLDER:	CHICAGO TITLE COMPANY
	By:
	Its: Dat e:

[When Seller and City have delivered a copy of this Agreement for Purchase and Sale of Real Estate, executed by Seller and City, to escrow, Escrow Holder should sign this page and transmit a copy to Seller and City. Seller and City agree that a photocopy, scanned copy or faxed copy is adequate for this purpose.]

EXHIBIT A

TO

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

FORM OF EASEMENT DEED FOR PERMANENT TELEPHONE AND ELECTRICAL UTILITY EASEMENT 2A

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 (Govt. Code § 27383) and Documentary Transfer Tax (Rev. & Tax. Code §11922).

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

EASEMENT DEED (Telephone and Electrical Utility Easement)

(Portion of Assessor's Parcel No.010-292-210)

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, KAISER FOUNDATION HOSPITALS, a California non-profit public benefit corporation ("Grantor"), hereby grants to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Grantee"), an exclusive subsurface easement and nonexclusive surface easement, for the right to construct, reconstruct, renew, alter, operate, maintain, replace and repair such electrical power lines and telephone, fiber optic, or other similar telecommunication or data lines as the Grantee shall from time to time elect, and all necessary maintenance access structures, laterals, and appurtenances thereto (the "Easement"), over, across, along, under, and upon Grantor's real property in the City of South San Francisco, San Mateo County, California, as more particularly described in the attached Exhibit A. The location of the portion of Grantor's real property that is subject to the Easement is described in attached Exhibit B (the "Easement Area").

1. Nature of Easement. The Easement includes rights of free ingress, egress, and emergency access to the Easement Area over and across the remaining portion of the Grantor's property, provided that such rights of ingress, egress, and emergency access shall be limited to established roadways, pathways, avenues, or other routes to the extent possible and as reasonably necessary for the proper use of the rights granted herein. Grantee is also granted the right to clear obstructions and vegetation from the Easement Area as may be reasonably required for the proper use of the other rights granted herein and the right to do such other things as are necessary for the full enjoyment and accomplishment of the purposes of the Easement. Grantee's rights under this Easement Deed ("Deed") may be exercised by Grantee's agents, contractors, subcontractors, suppliers, consultants, employees, licensees, invitees, or representatives, or by other authorized persons acting for or on behalf of Grantee (collectively, "Agents").

- 2. Grantor's Use. Grantor reserves the right to landscape or make such other use of the lands included within the Easement Area that is consistent with the Grantee's use; however, such use by Grantor shall not include the planting of trees or construction of permanent structures, including but not limited to buildings, outbuildings, swimming pools, tennis courts, retaining walls, decks, patios, or other concrete architectural structures within or over the Easement Area, or any other activity that may materially interfere with Grantee's full enjoyment of the Easement.
- 3. Maintenance of Improvements. Grantee shall be solely responsible for repairing and maintaining all of Grantee's facilities placed in, on, or under the Easement Area in good, safe, and secure condition, and Grantor shall have no duty whatsoever for any repair or maintenance of Grantee's facilities. Grantor shall maintain the surface of the Easement Area, provided that any damage, subsidence, or other injury to the Easement Area to the extent resulting from the presence of Grantee's facilities or Agents shall be remedied or repaired by Grantee.
- 4. Indemnity. Grantee shall indemnify, defend, and hold Grantor harmless from and against any and all claims, judgments, liabilities, losses, damages, penalties, fines, or costs (including, but not limited to, reasonable attorney's fees and costs) to the extent resulting from any of the activities or operations of Grantee and/or Grantee's Agents on or about the Easement Area.
- 5. Abandonment of Easement. If Grantee permanently abandons for two (2) years the use of Grantee's facilities placed in, on, or under the Easement Area, Grantee shall remove all fixtures and improvements installed or maintained by Grantee within the Easement Area, or abandon them in place in accordance with Grantor's reasonable specifications, and Grantee shall restore the Easement Area to substantially the same condition prior to the installation of such facilities. After any such abandonment by Grantee, Grantor may record a termination of this Easement with the San Mateo County Recorder's office and Grantee shall cooperate with Grantor regarding the same.
- 6. Notices. Any notice, consent, or approval required or permitted to be given under this Easement Deed shall be in writing and shall be given by (a) hand delivery, against receipt, (b) reliable next-business-day courier service that provides confirmation of delivery, or (c) United States registered or certified mail, postage prepaid, return receipt required, and addressed as follows (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): Grantee:

To: San Francisco Public Utilities Commission

525 Golden Gate Avenue, 10th Floor San Francisco, California 94103

Attention: Brian Morelli, WSIP Right of Way

Manager

Facsimile No.: (415) 487-5200

With a copy to:

Richard Handel Deputy City Attorney Office of the City Attorney City Hall, Room 234

1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4682 Facsimile No.: (415) 554-4755 Grantor:

To: Kaiser Permanente

Attn: Matt Harrison

Director-Corporate Real Estate, Northern California Region 1800 Harrison Street, 19th Floor

Oakland, CA 94612

Facsimile No.: (510) 625-6457

with a copy to: Robin Pearson, Esq.

Pearson & Schachter

1904 Olympic Boulevard, Suite 8

Walnut Creek, CA 94596 Facsimile: (925) 407-2742

and a copy to: Mark Zemelman, General Counsel,

Kaiser Foundation Hospitals One Kaiser Plaza, 19th Floor

Oakland, CA 94612

Facsimile No.: (510) 267-2161

A properly addressed notice transmitted by one of the foregoing methods shall be deemed received upon confirmed delivery, attempted delivery, or rejected delivery. Facsimile numbers are provided above for convenience of communication only; neither party may give official or binding notice by facsimile.

- 7. Run with the Land. The provisions of this Easement Deed shall run with the land, burden the Easement Area, and bind and inure to the benefit of the respective successors and assigns of Grantee and Grantor. In the event Grantor sells, conveys, or assigns any property interest encumbered by this Deed, Grantor shall notify the successor or assignee of the rights and obligations of both parties as stated herein.
- **8. Exhibits.** The Exhibits referenced in this Easement Deed are attached to and made a part of this Deed.
- 9. Further assurances. Each of the parties hereto shall, and shall cause their respective agents to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Deed.
- 9. Counterparts. This Easement Deed may be executed in counterparts, each of which shall be an original, but all counterparts shall constitute one instrument.

[Remainder of page intentionally left blank.]

Executed as of this 17 day of 0pn	, 2015.
GRANTOR:	
KAISER FOUNDATION HOSPITALS, , a California non-profit public benefit corporation	
By: Printed name &	1/17/2015
Title: Donald H. Orndoff	
Sepiar Vice President, National Facilities Servi	ces
Date.	
service of a median region of the first first of the	
By:	
Printed name & Title:	
Date:	
ACCEPTED:	
CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation	APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney
	DENING J. HERREICA, City Automoy
By: John Updike Director of Property	By: Richard Handel, Deputy City Attorney
PUC Resolution:	
Dated:	

CERTIFICATE OF ACCEPTANCE

This is to certify that t	he interest in re	al prop	perty conveyed by this deed dated
from the Grantor to th	e City and Cou	nty of	San Francisco, is hereby accepted pursuant to Board
of Supervisors' Resolu	ıtion No. 18110	Serie	es of 1939, approved August 7, 1957, and the grantee
consents to recordation	n thereof by its	duly a	uthorized officer.
Dated:		Зу:	TOTALIBBILIE
			JOHN UPDIKE
			Director of Property

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

State of California)	
County of)ss	
the within instrument and acknowleds his/her/their authorized capacity(ies), and person(s) or the entity upon behalf of whi	, a notary public in and , who proved to to be the person(s) whose name(s) is/are subscribed to ged to me that he/she/they executed the same in that by his/her/their signature(s) on the instrument the ich the person(s) acted, executed the instrument. the laws of the State of California that the foregoing
Signature	(Seal)
State of California) Ss County of)	
On, before me,	, a notary public in and , who proved to to be the person(s) whose name(s) is/are subscribed to ged to me that he/she/they executed the same in I that by his/her/their signature(s) on the instrument the ich the person(s) acted, executed the instrument. the laws of the State of California that the foregoing
Signature	(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate document to which this certificate is attached, and not the	ate verifies only the identity of the individual who signed the he truthfulness, accuracy, or validity of that document.
State of California County of ALAMEDA On Aril 17 before me, L Date personally appeared DONALD	NOTARY NOTARY
subscribed to the within instrument and acknow	evidence to be the person(s) whose name(s) is/are- ledged to me that he/she/they executed the same in her/their signature(s) on the instrument the person(s), cted, executed the instrument.
LYNN M. TILTON Commission # 1938548 Notary Public - California Alameda County My Comm. Expires May 26, 2015	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 Signature of Notary Public
Though this section is optional, completing this	TIONAL information can deter alteration of the document or some form to an unintended document.
Description of Attached Document Title or Type of Document:	Document Date:an Named Above:
Capacity(ies) Claimed by Signer(s) Signer's Name: ☐ Corporate Officer — Title(s): ☐ Partner — ☐ Limited ☐ General ☐ Individual ☐ Attorney in Fact ☐ Trustee ☐ Guardian or Conservator	Signer's Name:
☐ Other:Signer Is Representing:	☐ Other:Signer Is Representing:

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)
On
Signature (Seal)
State of California))ss County of)
On
Signature (Seal)

EXHIBIT A TO

PERMANENT TELEPHONE AND ELECTRICAL UTILITY EASEMENT 2A

[Attach Legal Description of Grantor's Real Property]



EXHIBIT "A" LEGAL DESCRIPTION

CUP-31A, SITE 11

PARCEL 2A

All that real property situate in the City of South San Francisco, County of San Mateo, State of California, being a portion of the land shown on Record of Survey No. 2036, recorded on June 1st, 2009 in Book 33 of Licensed Land Surveyor Maps at page 44, San Mateo County Records, State of California, and being a strip of land 10 feet wide, 5 feet on each side of the following described centerline:

BEGINNING at the most westerly corner of Take Parcel 2 as said parcel is described in that certain Quitclaim Deed recorded on January 31, 2008, as Document Number 2008-009955, Official Records of San Mateo County, said point being on the northeasterly line of said land shown on said map, and a point of a curve to the right, from which point a radial line bears South 52°15′05" West;

thence along said northeasterly line, along said curve having a radius of 3919.52 feet, through a central angle of 0°04'24", and an arc length of 5.02 feet to the TRUE POINT OF BEGINNING;

thence leaving said northeasterly line, South 49°04'50" West, 93.04 feet to the northeasterly right-of-way line of El Camino Real, as shown on said map, containing an area of 930 square feet, more or less; the sidelines of the above described easement are to be lengthened or shortened to terminate in said northeasterly line of El Camino Real and said northeasterly line of said land;

All bearings and distances shown on this exhibit are based upon the North American Datum of 1983 (NAD 83), California Coordinate System, Zone III, Epoch 1991.35. All

J:\Sm06\060212-09\Plats\ (2013-06-26)CUP-31A S11 P2A.doex SHEET LOF 2



distances shown hereon are grid distances. To convert to ground distance, multiply expressed distances by 1.00007347. Areas shown are calculated using grid distances. To convert to ground area, multiply the expressed area by 1.0001469.

A plat showing the above-described parcel is attached herein and made a part hereof as Exhibit "B".

This description was prepared by me or under my direction in conformance with the Professional Land Surveyors' Act.

NO. 8337

J:\Sur06\060212-09\Plats\ (2013-06-26)CUP-31A S11 P2A.docx

EXHIBIT B TO

PERMANENT TELEPHONE AND ELECTRICAL UTILITY EASEMENT 2A

[Attach Depiction of Easement Area 2A]

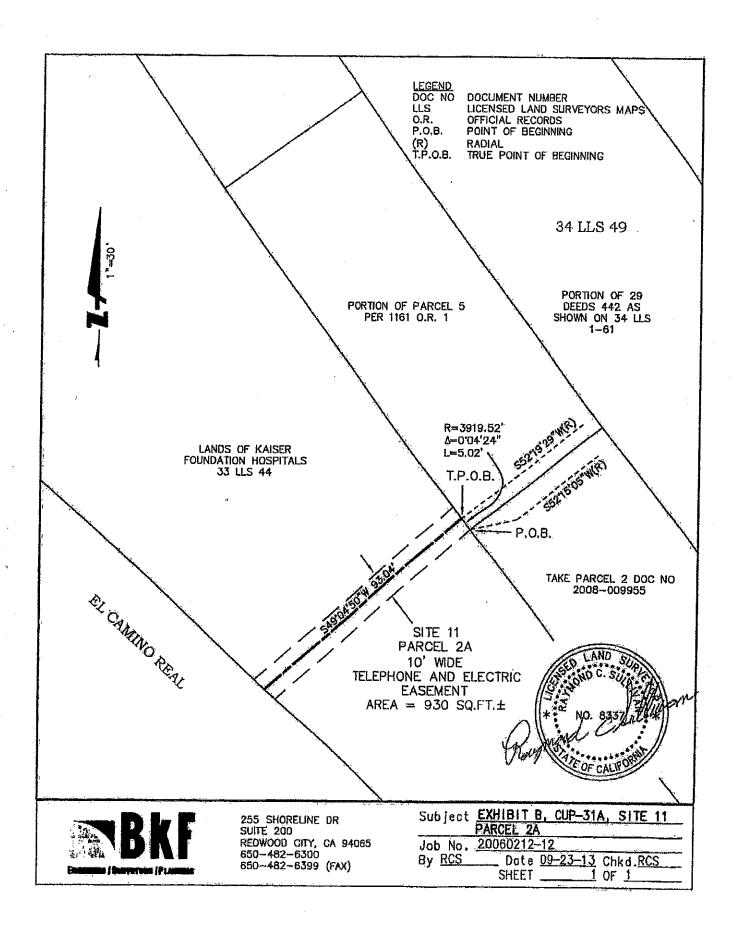


EXHIBIT B

TO

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

FORM OF EASEMENT DEED FOR TEMPORARY CONSTRUCTION EASEMENT 2E.

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 (Govt. Code § 27383) and Documentary Transfer Tax (Rev. & Tax. Code §11922).

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

EASEMENT DEED

(Temporary Construction Easement)

(Portion of Assessor's Parcel No. 010-292-210)

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, KAISER FOUNDATION HOSPITALS, a California non-profit public benefit corporation ("Grantor"), hereby grants to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Grantee"), a temporary, exclusive easement for construction and access purposes as further described below (the "Easement") over, across, under, and upon Grantor's real property in the City of South San Francisco, San Mateo County, California, as more particularly described in the attached Exhibit A. The location of the portion of Grantor's real property that is subject to the Easement is described in attached Exhibit B (the "Easement Area").

1. Nature of Easement. The Easement Area shall consist of an exclusive surface easement that shall be used primarily for construction staging and general construction-related activities. Grantee's rights to use any portion of the Easement Area shall include (a) the right to store, use, and stage construction trailers, equipment, vehicles, machinery, tools, materials, supplies, and excavated soils in connection with the construction of Grantee's Regional Groundwater Storage and Recovery Project (the "Project"); (b) the right to improve, repair, and maintain the Easement Area, including grading, installation of paving and/or crushed rock, fencing, management of vegetation impinging on the Easement Area; and (c) such other rights as are reasonably necessary for the full enjoyment and accomplishment of the purposes of the Easement. Grantee's rights under this Easement Deed ("Deed") may be exercised by Grantee's

agents, contractors, subcontractors, suppliers, consultants, employees, licensees, invitees, or representatives, or by other authorized persons acting for or on behalf of Grantee ("Agents").

- Term of Easement. Subject to the terms of this Deed, the term of the Easement shall 2. commence on the date (the "Commencement Date") on which Grantee's contractor first enters the Easement Area to commence staging in connection with construction of the Project after Grantee's issuance of a Notice to Proceed to the contractor. Grantee shall provide, or cause its contractor to provide, at least thirty (30) days' advance written notice to Grantor of the Commencement Date. At the request of either party, Grantor and Grantee shall confirm in writing the Commencement Date. The Easement shall expire on the last day of the ninth (9th) full calendar month after the Commencement Date; however, Grantee shall have the option to extend the term on a month-to-month basis not to exceed an additional six (6) months beyond the original expiration term of the easement. Thirty (30) days' written notice will be given to Grantor if Grantee elects to exercise its option for any such extension. Upon expiration of the extended term, Grantee shall pay Grantor an additional sum for any such extensions at the same rate paid by Grantor to Grantee for the initial term of the Easement (prorated on a monthly basis). If the term is so extended, and the term is not previously terminated, then in no event will the term of this Easement exceed fifteen (15) months from the Commencement Date. Upon and after the expiration of this Easement, Grantor may record a termination of this Easement with the County of San Mateo and Grantee shall cooperate with Grantor regarding the same.
- 3. Restoration. Upon the earlier of expiration of the term of the Easement or Grantee's completion of Project construction, at its sole cost and expense, Grantee shall repair, as nearly as reasonably possible, any damages to the Easement Area caused by Grantee and its Agents, including, but not limited to, restoration of the surface of the Easement Area, to its condition immediately prior to the commencement of the work related to the Project.
- 4. Indemnity. Grantee shall indemnify, defend, and hold Grantor harmless from and against any and all claims, judgments, liabilities, losses, damages, penalties, fines, or costs (including, but not limited to, reasonable attorney's fees and costs) to the extent resulting from any of the activities or operations of Grantee and/or Grantee's Agents on or about the Easement Area.
- 5. Notices. Any notice, consent, or approval required or permitted to be given under this Easement Deed shall be in writing and shall be given by (a) hand delivery, against receipt, (b) reliable next-business-day courier service that provides confirmation of delivery, or (c) United States registered or certified mail, postage prepaid, return receipt required, and addressed as follows (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):

Grantee:

To:

San Francisco Public Utilities Commission 525 Golden Gate Avenue, 10th Floor San Francisco, California 94+103 Guloz Attention: Brian Morelli, WSIP Right of Way

Manager

Facsimile No.: (415) 487-5200

With a copy to:

Richard Handel

Deputy City Attorney
Office of the City Attorney

City Hall, Room 234

1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4682 Facsimile No.: (415) 554-4755

Grantor:

To:

Kaiser Permanente

Attn: Matt Harrison

Director-Corporate Real Estate, Northern California Region 1800 Harrison Street, 19th Floor

Oakland, CA 94612

Facsimile No.: (510) 625-6457

with a copy to:

Robin M. Pearson

Pearson & Schachter

1904 Olympic Boulevard, Suite 8

Walnut Creek, CA 94596 Facsimile No.: (925) 407-2742

and a copy to:

Mark Zemelman, General Counsel,

Kaiser Foundation Hospitals One Kaiser Plaza, 19th Floor

Oakland, CA 94612

Facsimile No.: (510) 267-2161

A properly addressed notice transmitted by one of the foregoing methods shall be deemed received upon confirmed delivery, attempted delivery, or rejected delivery. Facsimile numbers are provided above for convenience of communication only; neither party may give official or binding notice by facsimile.

- 6. Run with the Land. The provisions of this Easement Deed shall run with the land, burden the Easement Area, and bind and inure to the benefit of the respective successors and assigns of Grantee and Grantor for the duration of the term of this Easement as set forth in Section 2. In the event Grantor sells, conveys, or assigns any property interest encumbered by this Deed, Grantor shall notify the successor or assignee of the rights and obligations of both parties as stated herein.
- 7. Exhibits. The Exhibits referenced in this Deed are attached to and made a part of this Deed.
- 8. Counterparts. This Deed may be executed in counterparts, each of which shall be an original, but all counterparts shall constitute one instrument.

9. Further assurances. Each of the parties hereto shall, and shall cause their respective agents to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Deed.

[Remainder of page intentionally left blank.]

Executed as of this 17 day of Opril	, 2015.			
GRANTOR:				
KAISER FOUNDATION HOSPITALS, a California non-profit public benefit corporation By: Printed name & Title: Donald H. Omdoff Serion Vice President, National Facilities Service	7/2015 es			
By: Printed name & Title:				
Date:				
ACCEPTED:				
CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation	APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney			
By: John Updike Director of Property	By:			
PUC Resolution:				
Dated:				

CERTIFICATE OF ACCEPTANCE

Thi	s is to	certify from th	that the	e intere	est in City a	real and Co	propert unty of	y co f San	nveye Franc	d by isco,	this	deed eby ac	dated cepted
pursuant to	Board	of Sup	ervisors'	Resolu	tion 1	No. 18	110 Se	ries o	of 193	39, ap	prove	ed Au	gust 7,
1957, and t	he gran	tee cons	ents to re	cordati	on the	reof by	its dul	y aut	horize	d off	icer.		
Dated:				By:									_
						IN UP							
					Dire	ctor of	f Proper	rty					

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)
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
On, before me,
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) B-7 Approved By KFHP Legal – April 15, 2015

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certific document to which this certificate is attached, and not	cate verifies only the identity of the individual who signed the the truthfulness, accuracy, or validity of that document.
who proved to me on the basis of satisfactory	Here Insert Name and Title of the Officer H. ORNDOFF Name(s) of Signer(s). y evidence to be the person(s) whose name(s) is/are-
subscribed to the within instrument and acknown his/her/their authorized capacity(les), and that by learning the entity upon behalf of which the person(s), and the person(s) are the entity upon behalf of which the person(s) are	vledged to me that he/she/they executed the same in his/her/their signature(s) on the instrument the person(s), acted, executed the instrument.
LYNN M. TILTON Commission # 1938548 Notary Public - California Alameda County My Comm. Expires May 26, 2015	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 Signature of Notary Public
Place Notary Seal Above	PTIONAL ————
	s information can deter alteration of the document or is form to an unintended document.
Description of Attached Document Title or Type of Document: Number of Pages: Signer(s) Other Th	Document Date:an Named Above:
Capacity(ies) Claimed by Signer(s) Signer's Name: Corporate Officer — Title(s): Partner — Limited General Individual Attorney in Fact Trustee Guardian or Conservator Other:	Signer's Name: Corporate Officer — Title(s): Partner — Limited General Individual Attorney in Fact Trustee Guardian or Conservator Other:
Cianar la Danragantina	Signer le Représenting

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)
On, a notary public in and for said State, personally appeared, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.
Signature (Seal) State of California) ss County of)
On
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) B-8

Approved By KFHP Legal - April 15, 2015

EXHIBIT A TO

TEMPORARY CONSTRUCTION EASEMENT DEED

[Attach Legal Description of Grantor's Real Property]



EXHIBIT "A" LEGAL DESCRIPTION

CUP-31A, SITE 11

PARCEL 2E

All that real property situate in the City of South San Francisco, County of San Mateo, State of California, being a portion of the land shown on Record of Survey No. 2036, recorded on June 1st, 2009 in Book 33 of Licensed Land Surveyor Maps at page 44, San Mateo County Records, State of California, and being more particularly described as follows:

BEGINNING at the most westerly corner of Take Parcel 2 as said parcel is described in that certain Quitclaim Deed recorded on January 31, 2008, as Document Number 2008-009955, Official Records of San Mateo County, said point being on the northeasterly line of said land shown on said map, and a point of a curve to the right, from which point a radial line bears South 52°15'05" West;

thence along said northeasterly line, along said curve having a radius of 3919.52 feet, through a central angle of 2°22'22", and an arc length of 162.32 feet;

thence leaving said northeasterly line, South 53°48'27" West, 33.56 feet;

thence South 34°41'07" East, 66.26 feet;

thence South 52°30'00" West, 35.12 feet;

thence South 37°30'00" East, 20.00 feet;

thence North 52°30'00" East, 34.14 feet;

thence South 34°41'07" East, 43.42 feet;

J.\Sur06\060212-09\Pfats\ (2013-06-26)\CUP-31A S11 \P2E\,decx SHEET 1 OF 3



thence South 50°10'42" West, 43.89 feet;

thence South 39°49'18" East, 23.37 feet;

thence South 53°21'19" West, 14.29 feet to the northeasterly right-of-way line of El Camino Real as shown on said map;

thence along last said right-of-way line, South 47°15'35" East, 15.35 feet to the beginning of a non-tangent curve to the right from which point a radial line bears North 40°19'33" East;

thence continuing along last said right-of-way line, along said curve having a radius of 1033.00 feet, through a central angle of 0°16'06", and an arc length of 4.84 feet;

thence leaving last said right-of-way line, North 54°07'31" East, 76.23 feet;

thence South 43°00'16" East, 28.33 feet;

thence North 49°42'51" East, 12.34 feet to the northeasterly line of said land shown on said map, being a point on a non-tangent curve to the right, from which point a radial line bears South 51°39'05" West;

thence along last said northeasterly line, along said curve having a radius of 3919.52 feet, through a central angle of 0°36'00", and an arc length of 41.05 feet to the **POINT OF BEGINNING**, containing an area of 9,525 square feet, more or less.

All bearings and distances shown on this exhibit are based upon the North American Datum of 1983 (NAD 83), California Coordinate System, Zone III, Epoch 1991.35. All distances shown hereon are grid distances. To convert to ground distance, multiply expressed distances by 1.00007347. Areas shown are calculated using grid distances. To convert to ground area, multiply the expressed area by 1.0001469.

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A plat showing the above-described parcel is attached herein and made a part hereof as Exhibit "B".

This description was prepared by me or under my direction in conformance with the Professional Land Surveyors' Act.

NO. 8337

Raymond C Sullivan, PLS 8337

J:\Sur06\06021Z-09\Plais\ (2013-06-26)CUP-31A S11 P2E,docx SHEET 3 OF 3

EXHIBIT B TO

TEMPORARY CONSTRUCTION EASEMENT DEED

[Attach Depiction of Easement Area 2E]

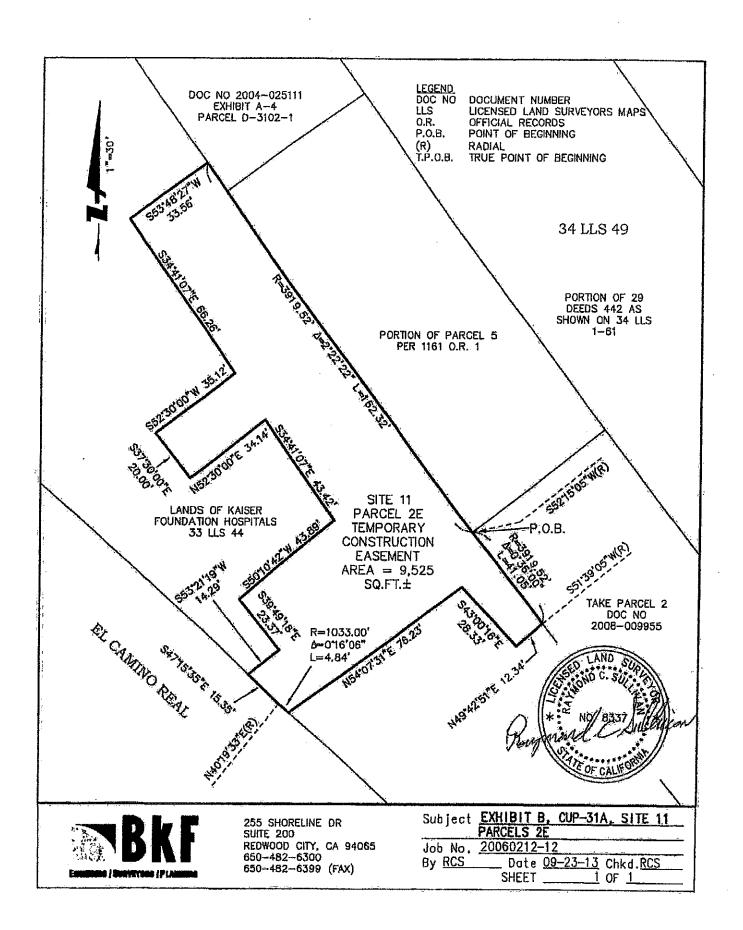


EXHIBIT C

PRELIMINARY TITLE REPORT

[Attach Preliminary Title Report]

*IN*PROCESS*



PRELIMINARY REPORT

In response to the application for a policy of title insurance referenced herein, **Chicago Title Company** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(ies) of title insurance to be issued hereunder will be policy(ies) of Chicago Title Insurance Company, a Nebraska corporation.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

Countersigned By:

Authorized Officer or Agent

By:

President

Attest:

Secretary

Chicago Title Insurance Company

Visit Us on our Website: www.ctic.com



ISSUING OFFICE: 2150 John Glenn Drive, Suite 400, Concord, CA 94520

FOR SETTLEMENT INQUIRIES, CONTACT:

Chicago Title Company
455 Market Street , Suite 2100 • San Francisco, CA 94105
(415)788-0871 • FAX (415)896-9427

Another Prompt Delivery From Chicago Title Company Title Department Where Local Experience And Expertise Make A Difference

PRELIMINARY REPORT

Title Officer: Jeff Martin

Title No.: FWTO-4071400369-JM

Escrow Officer: Tyson Miklebost E-Mail: Tyson.Miklebost@ctt.com

Escrow No.: 160341001

TO: Chicago Title Company

455 Market Street , Suite 2100 San Francisco, CA 94105 Attn: Tyson Miklebost

PROPERTY ADDRESS(ES): 1200 El Camino Real, South San Francisco, CA

EFFECTIVE DATE: October 17, 2014 at 07:30AM

The form of policy or policies of title insurance contemplated by this report is:

CLTA Standard Coverage Policy 1990

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee as to Parcel(s) One & Two

Easement(s) more fully described below as to Parcel(s) Three

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

Kaiser Foundation Hospitals, a California non-profit corporation, as to Parcel One; and

Kaiser Foundation Hospitals, a California non-profit public benefit corporation, as to Parcel Two

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A"

Legal Description

For APN/Parcel ID(s): 10-292-210

For Tax Map ID(s): JPN: 010-029-292-10

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SOUTH SAN FRANCISCO, COUNTY OF SAN MATEO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

Parcel "A" as shown on that certain Map entitled "Parcel Map being a Resubdivision of the Lands of Kaiser Foundation Hospitals (5414 O.R. 708 & & 709; 5884 O.R. 332), City of South San Francisco, San Mateo County, California", filed in the office of the Recorder of San Mateo County, State of California on March 20, 1979 in Book 46 of Parcels Maps at page 19.

Excepting therefrom so much thereof as was acquired by the State of California in that certain Final Order of Condemnation recorded on April 1, 1980 in book 7949 of Official Records at page 1254 (File No. 34465-AP), Records of San Mateo County, California.

Also excepting therefrom the underground water or rights thereto, but with no rights of surface entry, as conveyed to California Water Service Company, a California corporation by Quitclaim Deed recorded October 1, 1971 in Book 6023, Official Records page 96, Records of San Mateo County, California.

PARCEL TWO:

Parcel "B" as shown on that certain Map entitled "Parcel Map being a Resubdivision of the Lands of Kaiser Foundation Hospitals (5214 O.R. 708 & 709; 5884 O.R. 332), City of South San Francisco, San Mateo County, California", filed in the office of the Recorder of San Mateo County, State of California, on March 20, 1979 in Book 46 of Parcel Maps at page 19.

Excepting therefrom so much thereof as was acquired by the State of California in that certain Final Order of Condemnation recorded on April 1, 1980 in Book 7949 of Official Records at page 1254 (File NO. 34465-AP), Records of San Mateo County, California.

Also excepting therefrom the underground water or rights thereto, but with no rights of surface entry as conveyed to California Water Service Company, a California corporation by Quitclaim Deed recorded October 1, 1971 in Book 6023, Official Records, page 96, Records of San Mateo County, California.

PARCEL THREE:

Rights and Easements as acquired by Kaiser Foundation Hospitals by that certain document entitled "Assignment of Easements, Grants of Easement and Contract for Construction, Use and Maintenance of Sanitary Sewer", recorded on August 16, 1971 in Book 5997 of Official Records, at page 689 under File NO. 36830-AE, Records of San Mateo County, California.

AT THE DATE HEREOF, EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND **EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:**

Property taxes, including any personal property taxes and any assessments collected with taxes are as follows:

Code Area:

13-061

Tax Identification No.: 010-292-210

Fiscal Year:

2014-2015

1st Installment:

\$84,003.61 Open

2nd Installment:

\$84,003.61 Open

Exemption:

\$0.00

Land:

\$5,171,852.00

Improvements: Personal Property: \$60,977,978.00 \$16,881,828.00

- Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including 2. current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.
- The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the 3. provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.
- Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document: 4.

Granted to:

City and County of San Francisco, a municipal corporation

Purpose:

A right of way easement to lay, relay, construct, reconstruct, maintain, operate, patrol, repair, renew, replace, remove, increase and/or change the number and size of, pipes, pipe lines, conduits, and/or connections, appurtenances and appliances for the conveyance, distribution, supply

and/or sale of water

Recording Date:

February 17, 1949

Recording No.:

Book 1625, Page 63, Official Records

Affects:

As described therein

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document: 5.

Granted to:

California Water Service Company, a corporation

Purpose:

Right of way

Recording Date:

July 23, 1953

Recording No.:

95870K, Book 2449, Page 86, Official Records

Affects:

As described therein

6. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:

City and County of San Francisco, a municipal corporation

Purpose: Recording Date: Water pipelines January 30, 1956

Recording No.:

24468N, Book 2960, Page 563, Official Records

Affects:

As described therein

EXCEPTIONS

(continued)

- 7. Easement for drainage over the herein described property, as shown on that certain Map of Survey No. 5650, filed June 1, 1964. Said easement is also shown on the Parcel Map herein mentioned and designated "Colma Creek Drainage Canal".
- 8. Indenture of Mortgage and Deed of Trust

Dated:

June 15, 1962 as evidenced by Fifth Supplemental Indenture

Executed by:

Kaiser Foundation Hospitals

To:

The Bank of California, National Association and Robert F. Dewey, Trustees

Recording Date:

October 29, 1968

Recording No.:

86880-AB, Book 5551, Page 431, Official Records

Said instrument to include all supplemental indentures recorded in San Mateo County, up to and including the following:

Sixteenth Supplemental Indenture

Executed by:

Kaiser Foundation Hospitals, et al

Dated:

April 1, 1982

Recording Date:

December 16,1982

Recording No.:

82110716, Official Records

9. Matters contained in that certain document

Entitled:

Agreement and Grant of Easement

Dated:

August 13, 1970

Executed by:

George W. Smith, Sr., a married man, Frank Gigli, a single man and Peter

Mazzanit and Enes Mazzanit, husband and wife and G.M. Schultz, a

single woman

Recording Date:

August 31, 1970

Recording No.:

42891-AD, Book 5825, Page 595, Official Records

Reference is hereby made to said document for full particulars.

Matters contained in that certain document

Entitled:

Assignments of Easement, Grants of Easement and Contract for Construction,

Use and Maintenance of Sanitary Sewer

Dated:

July 16, 1971

Executed by:

G.M. Schultz, a single woman, Battista Fontana and Betty Fontana, husband

and wife and Harry Pariani and Maria Pariani, husband and wife and Kaiser Foundation Hospitals, a California nonprofit and charitable corporation

Recording Date:

August 16, 1971

Recording No.:

36830AE, Book 5997, Page 689, Official Records

Reference is hereby made to said document for full particulars.

EXCEPTIONS

(continued)

10. Matters contained in that certain document

Entitled: Dated:

Resolution No. 5438 November 2, 1970

Executed by:

City Council of The City of South San Francisco

Recording Date:

January 8, 1971

Recording No.:

74304AD, Book 5882, Page 225, Official Records

Reference is hereby made to said document for full particulars.

11. Matters contained in that certain document

Entitled:

Kaiser Foundation Hospitals Site Grading Indemnity

Dated: Executed by: December 17, 1970

Executed by.

Kaiser Foundation Hospitals

Recording Date:

January 8, 1971

Recording No.:

74305AD, Book 5882, Page 231, Official Records

Reference is hereby made to said document for full particulars.

12. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;

Reserved by:

Battista Fontana and Betty Fontana, his wife, as tenants in common as to an undivided 1/2 interest; and Harry Pariani and Marie Pariani, his wife, in joint

tenancy as to an undivided 1/2 interest

Sewer purposes with ingress thereto and egress therefrom

Recording Date:

January 14, 1971

Recording No.:

75479AD, Book 5884, Page 332, Official Records

Affects:

Purpose:

As described therein

13. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:

California Water Service Company, a corporation

Purpose:

Right of way for constructing, laying, maintaining, operating, using, altering, repairing, inspecting, relocating therein and thereupon or removing therefrom a main or mains, pipe line or lines, with any and all connections and fixtures necessary or convenient thereto for the transportation, distribution, sale

and/or supply of water

Recording Date:

October 1, 1971

Recording No.:

50866AE, Book 6023, Page 94, Official Records

Affects:

As described therein

14. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:

Pacific Gas and Electric Company, a California Corporation

Purpose:

Pole line facilities, consisting of aerial wires, cables and other electrical conductors, with associated poles, crossarms, braces, transformers,

anchors, guys, fixtures

Recording Date:

May 5, 1972

Recording No.:

15021AF, Book 6144, Page 628, Official Records

Affects:

As described therein

EXCEPTIONS

(continued)

15. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract/plat;

Purpose:

Ingress and egress over Parcel A of the Parcel Map herein mentioned

Affects:

As shown on said recorded Map

Purpose:

Ingress and egress over Parcel B as shown on the Parcel Map herein mentioned

Affects:

As shown on said recorded Map

16. Easements in favor of the State of California for cut and fill highway slope purposes as set forth in that certain Final Order of Condemnation recorded April 1, 1980 as Instrument No. 34465AP, in Book 7949, Page 1254, Official Records.

Affects:

As described therein

Said instrument contains the following reservation, which recites, in part as follows:

"The owners of said parcel of land, their successors and assigns, the right at any time to remove such slopes or portions thereof upon removing the necessity for maintaining such slopes or portions thereof or upon providing in place thereof or adequate lateral support, the design and construction of which shall be first approved by the State Department of Transportation, for the protection and support of said highway."

 Easements in favor of the State of California for drainage purposes as set forth in that certain Final Order of Condemnation

Recording Date:

April 1, 1980

Recording No.:

34465AP, Book 7949, Page 1254, Official Records

Affects:

As described therein

18. Matters contained in that certain document

Entitled:

Consent to Common Use Agreement

Dated:

May 22, 1980

Executed by:

California Water Service Company and The State of California

Recording Date:

August 18, 1980

Recording No.:

77584AP, Book 7980, Page 2197, Official Records

Reference is hereby made to said document for full particulars.

19. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:

Kaiser Foundation Hospitals, a California nonprofit public benefit corporation

Purpose: Recording Date: Ingress and egress December 28, 1982

Recording No.:

82114652, Official Records

Affects:

The exact location of said easement is not set forth of record

EXCEPTIONS

(continued)

A notice that said Land is included within a project area of the Redevelopment Agency shown below, and 20. that proceedings for the redevelopment of said project have been instituted under the Redevelopment Law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document

Recording Date:

July 16, 1993

Recording No.:

93117799 and 93117800, Official Records

Redevelopment Agency: El Camino Corridor Redevelopment Project Area

Said Redevelopment Plan has been amended/modified as disclosed by document recorded July 25, 2000, Instrument No. 2000-090737, Official Records.

Said Redevelopment Plan has been amended/modified as disclosed by document recorded November 26, 2007, Instrument No. 2007-165904, Official Records.

21. The effect of the following:

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:

San Francisco Bay Area Rapid Transit District

Purpose:

Constructing, laving, operating, and using rapid transit facilities, including but

not limited to tunnels, rails, structures, either subsurface, at grade or aerial,

columns, footings, roadway and pedestrian walks

Recording Date:

July 8, 1999

Recording No.:

1999-115408, Official Records

Affects:

As described therein

22. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:

The City of South San Francisco, a California municipal corporation

Purpose:

Mantaining, repairing and/or replacing a sanitary sewer main and appurtenances

Recording Date:

July 26, 2007

Recording No.:

2007-112258, Official Records

Affects:

Southeastern of Parcel Two

Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by 23. the public records.

The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.

The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

Matters which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of 24. said Land that is satisfactory to the Company, and/or by inquiry of the parties in possession thereof.

EXCEPTIONS

(continued)

25. The Company will require the following documents for review prior to the issuance of any title insurance predicated upon a conveyance or encumbrance by the corporation named below.

Name of Corporation: Kaiser Foundation Hospitals, a California non-profit corporation

- a. A Copy of the corporation By-laws and Articles of Incorporation.
- b. An original or certified copy of a resolution authorizing the transaction contemplated herein.
- If the Articles and/or By-laws require approval by a 'parent' organization, a copy of the Articles and By-laws of the parent.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

26. The Company will require the following documents for review prior to the issuance of any title insurance predicated upon a conveyance or encumbrance by the corporation named below.

Name of Corporation: Kaiser Foundation Hospitals, a California non-profit public benefit corporation

- a. A Copy of the corporation By-laws and Articles of Incorporation.
- b. An original or certified copy of a resolution authorizing the transaction contemplated herein.
- c. If the Articles and/or By-laws require approval by a 'parent' organization, a copy of the Articles and By-laws of the parent.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

27. This transaction requires high liability approval prior to close of escrow together with an inspection of the subject property.

Please advise title department with an estimated date that your transaction will close so we can schedule the necessary approvals and inspections.

28. The Company will require that an Owner's Affidavit be completed by the party(s) named below before the issuance of any policy of title insurance.

Party(ies):

Kaiser Foundation Hospitals, a California non-profit corporation and Kaiser Foundation Hospitals, a California non-profit public benefit corporation

The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit.

29. The transaction contemplated in connection with this Report is subject to the review and approval of the Company's Corporate Underwriting Department. The Company reserves the right to add additional items or make further requirements after such review.

END OF EXCEPTIONS

NOTES

- Note 1. Note: The Company is not aware of any matters which would cause it to decline to attach CLTA Endorsement Form 116 indicating that there is located on said Land a Commercial Structure, known as 1200 El Camino Real, South San Francisco, California, to an Extended Coverage Loan Policy.
- Note 2. Note: The name(s) of the proposed insured(s) furnished with this application for title insurance is/are:

No names were furnished with the application. Please provide the name(s) of the buyers as soon as possible.

- Note 3. Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.
- Note 4. Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the seller/borrower must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.
- Note 5. ***IMPORTANT RECORDING NOTE***

Please send all original documents for San Mateo County recordings to the following office:

Pasion Title Service 234 Marshall Street #12 Redwood City CA. 94063 Attn: Recording Desk/Derrick Phone: (480) 722-0448

Please direct all other title communication and copies of documents, including recording release instructions, policy write-up instructions and settlement statements, to the Title Only Department at the issuing office.

- Note 6. If a county recorder, title insurance company, escrow company, real estate broker, real estate agent or association provides a copy of a declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold face type and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.
- Note 7. Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirements cannot be met, please call the company at the number provided in this report.

END OF NOTES

FIDELITY NATIONAL FINANCIAL PRIVACY NOTICE

Effective: January 24, 2014

Order No.: FWTO-4071400369-

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, "FNF", "our" or "we") respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the "Website"). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

Collection and Use of Information

The types of personal information FNF collects may include, among other things (collectively, "Personal Information"): (1) contact information (e.g., name, address, phone number, email address); (2) demographic information (e.g., date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver's license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- · Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Information collected by FNF is used for three main purposes:

- To provide products and services to you or one or more third party service providers (collectively, "Third Parties") who are obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services that we perform for you or for Third Parties.
- To communicate with you and to inform you about FNF's, FNF's affiliates and third parties' products and services.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a "cookie" to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive and that can be re-sent to the serving website on subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the Third Party Opt Out section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as "clear gifs"). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the Third Party Opt Out section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (e.g., click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

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PRIVACY NOTICE

(continued)

You can opt-out of online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

- You can opt-out via the Network Advertising Initiative industry opt-out at http://www.networkadvertising.org/.
- You can opt-out via the Consumer Choice Page at www.aboutads.info.
- For those in the U.K., you can opt-out via the IAB UK's industry opt-out at www.youronlinechoices.com.
- You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- . To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;
- To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

Information from Children

We do <u>not</u> collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children - or others - in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

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PRIVACY NOTICE

(continued)

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices with Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization unless you affirmatively consent to such disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section "Additional Ways That Information Is Collected Through the Website," subsection "Third Party Opt Out."

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California's "Shine the Light" law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (e.g., requests made in 2013 will receive information regarding 2012 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with "Request for California Privacy Information" in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the "Shine the Light" requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California's Online Privacy Protection Act requires us to disclose how we respond to "do not track" requests and other similar mechanisms. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

Your Consent to This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc. 601 Riverside Avenue Jacksonville, Florida 32204 Attn: Chief Privacy Officer (888) 934-3354 privacy@fnf.com

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ATTACHMENT ONE

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

- 1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
 - (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
- 3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant:
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy:
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
- 4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
- 5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
- Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on
 real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such
 proceedings, whether or not shown by the records of such agency or by the public records.
- Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
- Easements, liens or encumbrances, or claims thereof, not shown by the public records.
- Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
- Any lien or right to a lien for services, labor or material not shown by the public records.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

- 1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use:
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

- 2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
- 3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
- 4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

 For Covered Risk 16, 18, 19 and 21, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$5,000.00

AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

- Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 - land use
 - · improvements on the land
 - land division
 - · environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at policy date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

- 2. The right to take the land by condemning it, unless:
 - a notice of exercising the right appears in the public records on the Policy Date
 - · the taking happened prior to the Policy Date and is binding on you if you bought the land without knowledge of the taking
- 3. Title Risks:
 - · that are created, allowed, or agreed to by you
 - · that are known to you, but not to us, on the Policy Date-unless they appeared in the public records
 - that result in no loss to you
 - that first affect your title after the Policy Date this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
- 4. Failure to pay value for your title.
- 5. Lack of a right:
 - to any land outside the area specifically described and referred to in Item 3 of Schedule A
 - · in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 - or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
- 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
- Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
- Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

- (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- 2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
- Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
- 4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
- 6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
- Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

- (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- 2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
- 4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
- 6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

- 1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 - or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy:
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
- 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
- 6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
- Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
- 8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
- Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer's right to be charged the filed rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for such discount. These discounts only apply to transactions involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

Not all discounts are offered by every FNF Company. The discount will only be applicable to the FNF Company as indicated by the named discount.

FNF Underwritten Title Companies

CTC - Chicago Title Company

CLTC - Commonwealth Land Title Company

FNTC - Fidelity National Title Company

FNTCCA - Fidelity National Title Company of California FNTIC - Fidelity National Title Insurance Company

TICOR - Ticor Title Company of California

LTC - Lawyer's Title Company

Underwritten by FNF Underwriters

CTIC - Chicago Title Insurance Company

CLTIC - Commonwealth Land Title Insurance Company

FNTIC - Fidelity National Title Insurance Company

CTIC - Chicago Title Insurance Company

CLTIC - Commonwealth Land Title Insurance Company

Available Discounts

CREDIT FOR PRELIMINARY TITLE REPORTS AND/OR COMMITMENTS ON SUBSEQUENT POLICIES (CTIC, FNTIC)

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within twelve (12) to thirty-six (36) months and all or a portion of the charge previously paid for the report or commitment may be credited on a subsequent policy charge.

DISASTER LOANS (CTIC, CLTIC, FNTIC)

The charge for a Lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within twenty-four (24) months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be fifty percent (50%) of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (CTIC, FNTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities. provided said charge is normally the church's obligation the charge for an owner's policy shall be fifty percent (50%) to seventy percent (70%) of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender's policy shall be thirty-two percent (32%) to fifty percent (50%) of the appropriate title insurance rate, depending on the type of coverage selected.