

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

by and between

COSTCO WHOLESALE CORPORATION, a Washington corporation

as Seller

and

CITY AND COUNTY OF SAN FRANCISCO,

as Buyer

For the purchase and sale of

One temporary construction easement,
one permanent subsurface electrical easement, one subsurface well connection easement, and one
subsurface utility water connection easement,
over, in, under, and upon

real property in the City of South San Francisco, County of San Mateo, State of California

June 5th, 2015

TABLE OF CONTENTS

	<u>Page</u>
1. PURCHASE AND SALE	1
1.1 Purchase and Sale of Easements	1
1.2 Easement Areas; Nature of Easements.....	1
2. PURCHASE PRICE.....	2
2.1 Purchase Price	2
2.2 Payment	2
2.3 Funds	2
3. CONVEYANCE OF EASEMENTS.....	2
3.1 Easement Deeds	2
3.2 State of Title	3
4. CONDITIONS TO CLOSING.....	3
4.1 City's Conditions to Closing.....	3
4.2 Cooperation with City	4
5. CLOSING AND POSSESSION	4
5.1 "Closing" Defined	4
5.2 Escrow; Closing Without an Escrow.....	4
5.3 Closing Date.....	5
5.4 Seller's Delivery of Documents.....	5
5.5 City's Delivery of Documents and Funds.....	6
5.6 Other Documents; Cooperation.....	6
5.7 Closing.....	6
5.8 Possession and Use.....	7
6. EXPENSES; PRORATIONS	7
6.1 City's Expenses.....	7
6.2 Seller's Expenses	7
6.3 Other Expenses.....	<u>7</u>
7. REPRESENTATIONS AND WARRANTIES; AS-IS SALE.....	7
8. RISK OF LOSS	10
9. MAINTENANCE; CONSENT TO NEW CONTRACTS.....	10
9.1 Maintenance of the Easement Areas	10
9.2 Contracts Affecting the Easement Areas.....	10
10. DISMISSAL OF EMINENT DOMAIN ACTION	11

11.	GENERAL PROVISIONS.....	11
11.1	Notices.....	11
11.2	Brokers and Finders.....	11
11.3	Successors and Assigns.....	12
11.4	Amendments; Waivers.....	12
11.5	Continuation and Survival of Representations and Warranties.....	12
11.6	Governing Law.....	12
11.7	Merger of Prior Agreements; No Inducement.....	12
11.8	Parties and Their Agents; Approvals.....	13
11.9	Interpretation of Agreement.....	13
11.10	Attorneys' Fees.....	13
11.11	Severability.....	13
11.12	Sunshine Ordinance.....	13
11.13	Conflicts of Interest.....	14
11.14	Notification of Limitations on Contributions.....	14
11.15	Non-Liability of Officials, Officers, Employees and Agents.....	14
11.16	Counterparts.....	14
11.17	Effective Date.....	14
11.18	Release of Claims.....	14

LIST OF EXHIBITS

- EXHIBIT A Easement Deed for Permanent Electrical Easement with attached legal description, and depiction, of Easement Area to be conveyed thereby.
- EXHIBIT B Easement Deed for Permanent Well Connection Easement with attached legal description, and depiction, of Easement Area to be conveyed thereby.
- EXHIBIT C Easement Deed for Permanent Utility Water Connection Easement with attached legal description, and depiction, of Easement Area to be conveyed thereby.
- EXHIBIT D Easement Deed for Temporary Construction Easement with attached legal description, and depiction, of Easement Area to be conveyed thereby.
- EXHIBIT E Preliminary Title Report

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE
(Easement Over, On and In
Portion of APN 010-212-100)

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE (this "**Agreement**") dated for reference purposes only as of June 5th, 2015, is by and between COSTCO WHOLESALE CORPORATION, a Washington corporation ("**Seller**"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**Buyer**" or "**City**").

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

In connection with the Regional Groundwater Storage and Recovery Project of Seller's Public Utilities Commission, Seller shall convey to City and City shall 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**") with respect to Seller's real property located at 1600 El Camino Real, South San Francisco, California and designated by the County of San Mateo as APN 010-212-100 ("**Seller's Property**"):

(a) a permanent subsurface electrical easement (the "**Electrical Easement**") over, across, in, and upon a portion of Seller's Property;

(b) a permanent subsurface easement for a well connection (the "**Well Connection Easement**") under, across, and along a portion of Seller's Property;

(c) a permanent subsurface easement for a utility water connection (the "**Utility Water Connection Easement**") under, across, and along a portion of Seller's Property; and

(d) a temporary construction easement (the "**TCE**") over, across, in, and upon a portion of Seller's Property;

Each portion of Seller's Property to be acquired by Buyer 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 Easements

The Easement Areas consist of those portions of Seller's Property described in each of the easement deeds and the respective property descriptions attached as "Exhibit 1" to each of such deeds that are attached to this Agreement as Exhibits A, B, C, and D (each a "**Deed**," and collectively, the "**Deeds**") and approximately depicted on the respective diagrams or pictures that are attached as "Exhibit 2" to each Deed. The nature, scope, and conditions of each Easement are set forth in the respective Deed with respect to such Easement.

1.3 Sale Under Threat of Condemnation

Under threat of condemnation, Seller agrees to sell and convey the Easements to City, subject to the terms, covenants, and conditions set forth below. Seller acknowledges that City has made Seller aware that (a) California law requires a public entity to make all reasonable efforts to acquire expeditiously, by negotiated purchase, real property that is needed for a public

project but that, if the public entity is unable to acquire the property through negotiated purchase, it can acquire the property by such public entity's right of eminent domain, and (b) had City been unable to acquire the Easements through negotiated purchase, staff would have recommended to City's Board of Supervisors that City adopt a resolution of necessity and commence proceedings to acquire the Easements by City's right of eminent domain, and that this Agreement contains the terms and conditions for the purchase and sale of the Easements in lieu of City's efforts at acquisition through eminent domain.

2. PURCHASE PRICE

2.1 Purchase Price

The purchase price to be paid by City for each of the Easements shall be as follows:

(a) For the Electrical Easement, the sum of THIRTY-NINE THOUSAND FOUR HUNDRED FIFTY-FIVE DOLLARS (\$39,455);

(b) For the Well Connection Easement, the sum of ELEVEN THOUSAND SIX HUNDRED SEVENTY-TWO DOLLARS (\$11,672);

(c) For the Utility Water Connection Easement, the sum of ELEVEN THOUSAND SIX HUNDRED EIGHTY DOLLARS (\$11,680);

(d) For the TCE, the sum of ONE HUNDRED TWENTY-SIX THOUSAND EIGHT HUNDRED AND TWENTY-FIVE DOLLARS (\$126,825)

The total purchase price for all of the Easements is ONE HUNDRED NINETY THOUSAND DOLLARS (\$190,000) (the "**Purchase Price**").

2.2 Payment

On the Closing Date (defined in Section 5.3 [Closing Date]), City shall pay the Purchase Price, adjusted pursuant to the provisions of Article 6 [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 EASEMENTS

3.1 Easement Deeds

At the Closing defined in Section 5.1 ["Closing" Defined]), Seller shall convey to City or City's designee marketable and insurable title to the Easements, by delivery of the Deeds, each duly executed and acknowledged in the forms attached as Exhibits A, B, C, and D, free and clear of all exceptions, liens, and encumbrances except solely for the Accepted Conditions of Title (defined in Section 3.2 [State of Title]). Each Deed shall be executed and delivered to City in a recordable form. City may record each of the Deeds in County's Recorder's Office except, because of the temporary nature of the temporary construction easements to be granted as described in Exhibit D, the Deed with respect to such Easement shall not be recorded unless,

prior to the expiration of the term of such temporary construction easement, Seller materially breaches the terms of this Agreement or such Deed.

3.2 State of Title

"Accepted Conditions of Title" shall mean (i) the lien of real property taxes, not yet due or payable; and (ii) exceptions numbered 4 through 20 of the preliminary title report dated September 5, 2013, bearing Title No. 13-40705182-JM attached as **Exhibit E**. 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 shall use commercially reasonable efforts to secure, and City shall reasonably cooperate as necessary in Seller's efforts to secure, any such waiver, quitclaim deeds, consents, subordinations, or releases to the extent required because of any asserted or actual possessory rights over the Easement Areas that are claimed by or through Seller or Seller's title to the Easement Area, provided that Seller shall have no such obligation to the extent any such claim of possessory rights is based upon or results from (y) any prescriptive use, or adverse possession of, the any of the Easement Areas by any third party or the public, or (z) any rights of any third party or the public to occupy or cross Colma Creek.

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 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 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.

(b) Seller shall have delivered signed originals of any documents required to be obtained by Seller pursuant to Section 3.2, and, unless the parties elect to consummate the transaction without an escrow, Escrow Holder shall be committed at the Closing to issue to City a 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 Section 5.4 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 (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 except with respect to the Condition Precedent so waived. 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; provided that if Closing has not occurred by December 31, 2016, there shall be no further extensions and this Agreement automatically shall terminate.

If the sale of all of the Easements is not consummated because of a default under this Agreement on the part of Seller or if a Condition Precedent with respect to one or more of the Easements cannot be fulfilled because Seller frustrated such fulfillment by some affirmative act or negligent omission, at its sole election, City may (1) terminate this Agreement by delivery of notice of termination to Seller, whereupon Seller shall pay to City any title, escrow, legal, and inspection fees incurred by City, and neither party shall have any further rights or obligations hereunder, (2) elect to proceed with Closing with respect to any Easement with respect to which all Conditions Precedent have been waived by City or satisfied and elect to either terminate this Agreement with respect to the remaining Easements not so purchased (pursuant to clause (1) of this paragraph) or continue this Agreement with respect to such remaining Easements (pursuant to clause (3) of this paragraph), or (3) continue this Agreement pending City's action for specific performance and/or damages hereunder, including, without limitation, City's costs and expenses incurred hereunder. In the event City elects to proceed to Closing with respect to some, but not all, of the Easements pursuant to clause (2) above, the Purchase Price will be reduced by the sum of the purchase prices stated in Section 2.1 attributable to the Easements not being purchased and any subsequent Closing with respect to any such Easement not initially purchased shall be for the purchase price stated for such Easement in Section 2.1.

4.2 Cooperation with City

Seller shall cooperate with City and do all commercially reasonable acts as may be requested by City with regard to the fulfillment of any Conditions Precedent including, without limitation, execution of any documents, applications, or permits.

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 Article 5.

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 or on such earlier date as City and Seller may mutually agree (the "**Closing Date**"), subject to the provisions of Article 4 [Conditions to Closing]. 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 in Seller's possession or control or reasonably available to Seller with commercially reasonable effort 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 Section 5.7(b).

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 or, with respect to any Easement to be conveyed to City's designee, an authorized agent on behalf of such designee, to be attached to each of the Deeds before recording;

(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 (as it may be adjusted pursuant to the provisions of Section 4.1).

(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 Section 5.7(b).

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 or City's designee;

(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 Article 6;

(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:

(A) City has received Seller's documents in accordance with Section 5.4, and

(B) City and/or its designee have received each of the Deeds conveying the Easements to City or its designee 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

With respect to each Easement Area, the right of possession and use of such Easement Area by City and/or its designees, including the right to remove and dispose of improvements and install and connect utilities, shall commence on the date City's contractor first enters such Easement Area to commence staging for the Project (the "**Possession Date**"), which may occur before the Closing Date. The Purchase Price includes but is not limited to full payment for such possession and use, including interest and damages 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.

6. EXPENSES; PRORATIONS

6.1 City's Expenses

City shall pay all escrow fees and title insurance charges, if any.

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 the County, as determined by Escrow Holder; provided, however, if for any reason the conveyances contemplated by this Agreement are not exempt from transfer taxes, then City shall pay all such transfer taxes.

7. REPRESENTATIONS AND WARRANTIES; AS-IS SALE

7.1 Seller Representations.

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, to the best of Seller's knowledge, 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 on behalf of Seller are required to implement this Agreement.

(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.** To the best of Seller's knowledge, there are no facts or circumstances that would prevent City from using the Easements after Closing as contemplated by the Deeds; provided, however, Seller has made no use of the Easement Areas and cautions City to confirm whether any of the Easement Areas may be subject to recorded or prescriptive rights in favor of others.

(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 or potential 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 in amounts or manners that require remedial action.

As used anywhere in this Agreement, the terms "**Seller's knowledge**" and "**to the best of Seller's knowledge**" refer to the present, actual knowledge of Stephanie Gordon, without the obligation to undertake any investigation or inquiry.

7.2 As-Is Sale.

BUYER ACKNOWLEDGES AND AGREES THAT BUYER WILL BE CONCLUDING THE PURCHASE OF THE EASEMENTS BASED SOLELY UPON BUYER'S INSPECTION AND INVESTIGATION OF SELLER'S PROPERTY, AND THAT BUYER WILL BE PURCHASING THE EASEMENTS ON AN "AS IS, WHERE IS" BASIS, WITH ALL FAULTS, LATENT AND PATENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR ANY REPRESENTATIONS OR WARRANTIES EXPRESSLY CONTAINED IN SECTION 7.1 OF THIS AGREEMENT. SELLER HAS NOT MADE, IS NOT HEREBY MAKING, AND SELLER HEREBY EXPRESSLY DISCLAIMS AND NEGATES, ANY OTHER REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER CONCERNING THE EASEMENTS, INCLUDING, WITHOUT LIMITATION, MATTERS RELATING TO THE ZONING, LAND-USE, OR OTHER ENTITLEMENTS, THE ENVIRONMENTAL CONDITION OF THE PROPERTY (INCLUDING, WITHOUT LIMITATION, THE EXISTING ENVIRONMENTAL CONDITION), AND/OR SOILS, SEISMIC, GEOTECHNICAL, THE CONSTRUCTION OF IMPROVEMENTS ON THE PROPERTY, THE COMPLIANCE OF THE PROPERTY WITH APPLICABLE LAWS AND REGULATIONS, THE FINANCIAL CONDITION OF THE PROPERTY OR ANY OTHER REPRESENTATION OR WARRANTY RESPECTING LIENS, ENCUMBRANCES, RIGHTS, OR CLAIMS, AFFECTING OR CONCERNING THE PROPERTY OR ANY PART THEREOF. EXCEPT FOR THE EXPRESS REPRESENTATIONS OR WARRANTIES CONTAINED IN SECTION 7.1 OF THIS AGREEMENT, SELLER SPECIFICALLY DISCLAIMS ANY SUCH REPRESENTATIONS OR WARRANTIES, AND/OR OTHER MATTERS RELATING TO THE CONDITION OF THE PROPERTY. BUYER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY BY OR ON BEHALF OF SELLER, INCLUDING, WITHOUT LIMITATION, THE ENVIRONMENTAL REPORTS AND THE OTHER DOCUMENTS AND INSTRUMENTS TO BE DELIVERED TO, OR OTHERWISE MADE AVAILABLE TO, BUYER WAS OBTAINED FROM A VARIETY OF SOURCES, THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION, THAT ALL SUCH INFORMATION HAS BEEN AND SHALL BE PROVIDED SOLELY AS AN ACCOMMODATION TO BUYER (IF AVAILABLE), AND THAT SELLER MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE ACCURACY, TRUTHFULNESS, OR COMPLETENESS OF SUCH INFORMATION. AS PART OF BUYER'S AGREEMENT TO PURCHASE AND ACCEPT THE EASEMENTS "AS-IS, WHERE-IS," AND "WITH ALL FAULTS," AND NOT AS A LIMITATION ON SUCH AGREEMENT, BUYER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY AND ALL ACTUAL OR POTENTIAL CLAIMS OR RIGHTS AGAINST THE SELLER ARISING OUT OF THE INACCURACY OR INCOMPLETENESS OF ANY MATERIALS SO FURNISHED, ARISING OUT OF OR IN CONNECTION WITH THE ENVIRONMENTAL OR PHYSICAL CONDITIONS OF THE PROPERTY, AND ANY AND ALL ACTUAL OR POTENTIAL CLAIMS OR RIGHTS BUYER MIGHT HAVE REGARDING ANY FORM OF REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND OR TYPE, RELATING TO THE PROPERTY, OTHER THAN IN CONNECTION WITH THOSE REPRESENTATIONS AND WARRANTIES EXPRESSLY CONTAINED IN SECTION 7.1 OF THIS AGREEMENT. SUCH WAIVER IS ABSOLUTE, COMPLETE, TOTAL, AND UNLIMITED IN ANY WAY. AS PART OF THE PROVISIONS OF THIS SECTION, BUT

NOT AS A LIMITATION THEREON, BUYER HEREBY AGREES, REPRESENTS, AND WARRANTS THAT THE MATTERS RELEASED HEREIN ARE NOT LIMITED TO MATTERS WHICH ARE KNOWN OR DISCLOSED, AND BUYER HEREBY WAIVES ANY AND ALL RIGHTS AND BENEFITS WHICH IT NOW HAS, OR IN THE FUTURE MAY HAVE CONFERRED UPON IT, BY VIRTUE OF THE PROVISIONS OF FEDERAL, STATE, OR LOCAL LAWS, RULES OR REGULATIONS, INCLUDING WITHOUT LIMITATION, SECTION 1542 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA OR ANY SIMILAR STATUTE, LAW, RULE, OR REGULATION OF ANY OTHER STATE. BUYER ACKNOWLEDGES THAT SECTION 1542 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA PROVIDES AS FOLLOWS:

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

SELLER AND BUYER HAVE EACH INITIALED THIS SECTION TO FURTHER INDICATE THEIR AWARENESS AND ACCEPTANCE OF EACH AND EVERY PROVISION HEREOF.

BUYER


SELLER

The provisions of this Section 7.2 shall survive the Closing.

8. RISK OF LOSS

If any portion of an Easement Area 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. 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 Areas, and this Agreement shall remain in full force and effect.

9. MAINTENANCE; CONSENT TO NEW CONTRACTS

9.1 Maintenance of the Easement Areas

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 or delayed.

9.2 Contracts Affecting the Easement Areas

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, if by so acting or allowing, the same 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 (i) hand delivery, against receipt, (ii) reliable next-business-day courier service that provides confirmation of delivery, or (iii) 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

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

Seller:

To: Costco Wholesale Corporation
Attn: Kiersten Jensen, Real Estate Manager
999 Lake Drive
Issaquah, WA 98027-8990

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. 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, (i) this Agreement may be amended or modified only by a written instrument executed by City and Seller, (ii) no waiver of any provision of this Agreement will be binding unless executed in writing by the party making the waiver, (iii) no waiver of any provision of this Agreement will be deemed to constitute a waiver of any other provision, whether or not similar, and (iv) 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 for a period of six (6) months following: (a) the Closing, or (b) to the extent the context requires, any termination of 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 and of Seller's in-house counsel 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 or the services of Seller's in-house counsel were rendered who practice in the City and County 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 the City may disclose any records, information, and materials submitted to the City in connection with this Agreement.

11.13 Conflicts of Interest

Through its execution of this Agreement, Seller acknowledges that it has reviewed 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, to the best of Seller's knowledge, there are no 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 the City.

11.14 Notification of Limitations on Contributions

Through its execution of this Agreement, Seller acknowledges that it has reviewed 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 elective officer or the board on which that City 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 elective officer, or the board on which that City elective officer serves.

11.15 Non-Liability of Officials, Officers, Employees and Agents

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, board member, shareholder, employee, agent, or consultant of Seller shall be personally liable to City or its successors and assigns, in the event of any default or breach by Seller or for any amount that may become due to City or its successors and assigns, or for or in connection with any obligation, representation, warranty, or covenant of Seller under this Agreement.

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 Release of Claims

Seller, for itself, its agents, heirs, assigns, successors in interest, and any related or affiliated entities, hereby fully releases and discharges City, its agents, employees, officers, directors, divisions, attorneys, accountants, insurers, successors, and other representatives, and any and all related or affiliated private or public agencies or entities, from any and all causes of action, actions, judgments, liens, indebtedness, obligations, losses, claims, damages, expenses, liabilities, and demands, including, without limitation, any claim arising out of or pertaining, directly or indirectly, to the acquisition of the property interests described in this Agreement and/or the use thereof as contemplated in the Deeds, including without limitation, inverse condemnation, nuisance, severance damages, relocation benefits, reestablishment benefits, the cost or value of any equipment or fixtures, attorneys' fees and costs, loss of goodwill, and, provided City makes reasonable efforts to minimize the impacts thereof on Seller, Seller's business and Seller's Property construction-related dust, noise, traffic, and other related construction activity, and lost rentals or business associated with construction of improvements as contemplated in the Deeds (the "**Released Claims**"). Notwithstanding the foregoing, the Purchase Price does not cover, and shall not be construed to cover, and the Released Claims do not include, settlement of any future claims, causes of action, losses, damages, costs or expenses ("**Reserved Claims**") except in connection with City's acquisition of the property interests described in this Agreement and/or the use thereof as contemplated in the Deed, and as part of the Reserved Claims, City shall indemnify, defend, and hold Seller harmless from and against claims, causes of action, losses, damages, costs, expenses and other liability of any nature asserted by third parties, including, without limitation, by owners or occupants of surrounding properties, to the extent resulting from City's use or enjoyment of the Easements, whether as contemplated by the Deeds or not.

Seller acknowledges that it may hereafter discover facts or law different from, or in addition to that which it now believes to be true with respect to his/her release of claims as set forth in this Agreement, and understands that by executing this Agreement it is waiving any rights of claims for any other or future benefits or damages -in connection with the Released Claims. In giving this release, Seller expressly waives the protection of Civil Code Section 1542, which statute provides as follows:

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

If this Agreement is terminated this Section 11.18 shall have no force or effect.

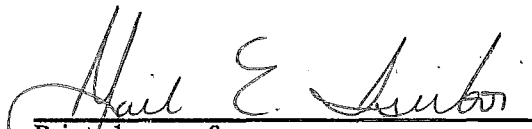
NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, SELLER ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS AGREEMENT UNLESS AND UNTIL APPROPRIATE LEGISLATION OF CITY'S PUBLIC UTILITIES COMMISSION (AND, IF REQUIRED BY CITY'S CHARTER, APPROPRIATE 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.

SELLER:

COSTCO WHOLESALE CORPORATION,
a Washington corporation

By: 
Printed name &
Title: Assistant Secretary

Date: June 5th, 2015

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
JOHN UPDIKE
Director of Property

Date: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney


By: 
Richard Handel,
Deputy City Attorney

EXHIBIT A
TO
AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE
FORM OF PERMANENT ELECTRICAL EASEMENT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

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

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

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

EASEMENT DEED
(Electrical Line Easement)

(Portion of Assessor's Parcel No. 010-212-100)

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, COSTCO WHOLESALE CORPORATION, a Washington corporation ("**Grantor**"), hereby grants to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**Grantee**"), a nonexclusive subsurface easement and nonexclusive surface easement, for the right to construct, reconstruct, renew, alter, operate, maintain, replace (with the initial or any other size) and repair such electrical power 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 located at 1600 El Camino Real, South San Francisco, San Mateo County, California, and commonly known as Assessor's Parcel 010-212-100. The specific location of the portion of Grantor's real property that is subject to the Easement is more particularly described in the attached **Exhibit 1** and depicted in the attached **Exhibit 2** (the "**Easement Area**"). Maintenance access structures (manholes, etc.) constructed within the Easement Area shall not be covered by earth or other material and shall remain in an exposed and accessible condition at all times for routine and/or emergency maintenance that may be deemed necessary by the Grantee from time to time. Locations of maintenance access structures and all other surface improvements and appurtenances shall be subject to Grantor's approval, not to be unreasonably withheld, conditioned, or delayed.

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 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

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 which may interfere with Grantee's full enjoyment of the Easement.

3. Maintenance of Improvements. Grantee shall be solely responsible for any necessary repair and maintenance 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 as necessary 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 shall be remedied or repaired by Grantee.

4. Abandonment of Easement. If Grantee permanently abandons 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.

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 (i) hand delivery, against receipt, (ii) reliable next-business-day courier service that provides confirmation of delivery, or (iii) 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 94102
Attention: Brian Morelli, WSIP Right of Way
Manager

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

Grantor:

To: Costco Wholesale Corporation
Attn: Kiersten Jensen
900 Lake Drive
Issaquah, WA 98027-8990

A properly addressed notice transmitted by one of the foregoing methods shall be deemed received upon confirmed delivery, attempted delivery, or rejected delivery. 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. In the event Grantor sells, conveys, or assigns any property interest encumbered by the Agreement, Grantor shall notify the successor or assignee of the rights and obligations of both parties as stated herein.

7. Grantee Use of Easement. Grantee accepts the Easement Area "AS IS, WHERE IS," WITH ALL FAULTS, LATENT AND PATENT. Grantee shall make reasonable efforts to minimize the impacts to Grantor and Grantor's property from Grantee's use of the Easement. Grantee shall indemnify, defend, and hold Grantor harmless from and against any and all claims to the extent arising out of or relating to the use of the Easement by Grantee or its Agents. Grantee assumes all risks in connection with use of the Easement by Grantee or its agents and expressly confirms that its duty to indemnify, defend, and hold Grantor harmless extends to injuries to persons or property and all other claims to the extent arising in connection with use of the Easement by Grantee or its Agents.

8. Exhibits. The Exhibits referenced in this Easement Deed are attached to and made a part of 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 _____ day of _____, 2015.

GRANTOR:

COSTCO WHOLESALE CORPORATION,
a Washington corporation

By: _____

Its: _____

Date: _____ 2015

By: _____

Its: _____

Date: _____ 2015

ACCEPTED:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
John Updike
Director of Property

PUC Resolution: _____

Dated: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Richard Handel, Deputy City Attorney

CERTIFICATE OF ACCEPTANCE

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

Dated: _____

By: _____

JOHN UPDIKE
Director of Property

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

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

Signature _____ (Seal)

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

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

Signature _____ (Seal)

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

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

Signature _____ (Seal)

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

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

Signature _____ (Seal)

EXHIBIT 1 TO
PERMANENT ELECTRICAL EASEMENT DEED
LEGAL DESCRIPTION OF EASEMENT AREA
FOR PERMANENT ELECTRICAL EASEMENT

**[Attach Legal Description of
Permanent Electrical Easement Area
across Grantor's Real Property]**

[See following page]

November 5, 2014

EXHIBIT A
LEGAL DESCRIPTION
5' SUBSURFACE EASEMENT

All that certain real property located in the City of South San Francisco, County of San Mateo, State of California, being a portion of "PARCEL II" as said parcel is described in the Grant Deed to Costco Wholesale Corporation recorded December 28, 2001, as Document Number 2001-213921, Official Records of San Mateo County, and being more particularly described as follows:

A 5 foot wide strip of land, 2.50 feet on each side of the following described center line;

BEGINNING at the most westerly corner of said "PARCEL II", said point lying on the northeasterly right-of-way line of El Camino Real as described in Parcel 41048-1 of the Final Order of Condemnation No. 226980 recorded November 8, 1979, on Reel 7912 at Image 929;

thence South $39^{\circ}18'22''$ East, 5.834 feet to the **TRUE POINT OF BEGINNING** of the strip of land to be herein described;

thence North $47^{\circ}29'29''$ East, 326.556 feet to the beginning of a non-tangent curve to the right;

thence along said curve having a radius of 179.166 feet, through a central angle of $19^{\circ}33'51''$, radial to a line bearing North $30^{\circ}31'47''$ West from the radius point of said curve to the point of curve, a distance of 61.178 feet to the beginning of a non-tangent curve to the right;

thence along said curve having a radius of 309.597 feet, through a central angle of $12^{\circ}14'45''$, radial to a line bearing North $05^{\circ}12'26''$ West from the radius point of said curve to the point of curve, a distance of 66.170 feet to the beginning of a non-tangent curve to the left;

thence along said curve having a radius of 240.181 feet, through a central angle of $11^{\circ}08'54''$, radial to a line bearing South $09^{\circ}41'03''$ West from the radius point of said curve to the point of curve, a distance 46.733 feet;

thence North $80^{\circ}08'18''$ East, 25.524 feet;

thence North $76^{\circ}23'02''$ East, 79.599 feet to the beginning of a non-tangent curve to the right;

thence along said curve having a radius of 151.565 feet, through a central angle of $60^{\circ}27'28''$, radial to a line bearing North $14^{\circ}26'44''$ West from the radius point of said curve to the point of curve, a distance 159.929;

thence South $44^{\circ}32'09''$ East, a distance of 152.984 feet;

thence North $41^{\circ}51'49''$ East, a distance of 44.650 feet to the westerly line of the parcel described in the Deed to the City and County of San Francisco recorded September 29, 1944, in Volume 1161 at Page 1 ("Parcel 2" of "San Mateo County Lands"), Official Records of San Mateo County.

Containing an area of 4,817 square feet, more or less.

The sidelines of said strip are to be lengthened or shortened so as to meet at angle points and begin at said northeasterly right-of-way line of El Camino Real and terminate at the said westerly line of said Parcel 2 of San Mateo County Lands.

The North American Datum of 1983, California Coordinate System Zone 3, Epoch 1991.35, was taken as the **BASIS OF BEARINGS** for this description.

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

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

Tony E. Durkee
Tony E. Durkee, PLS 5773

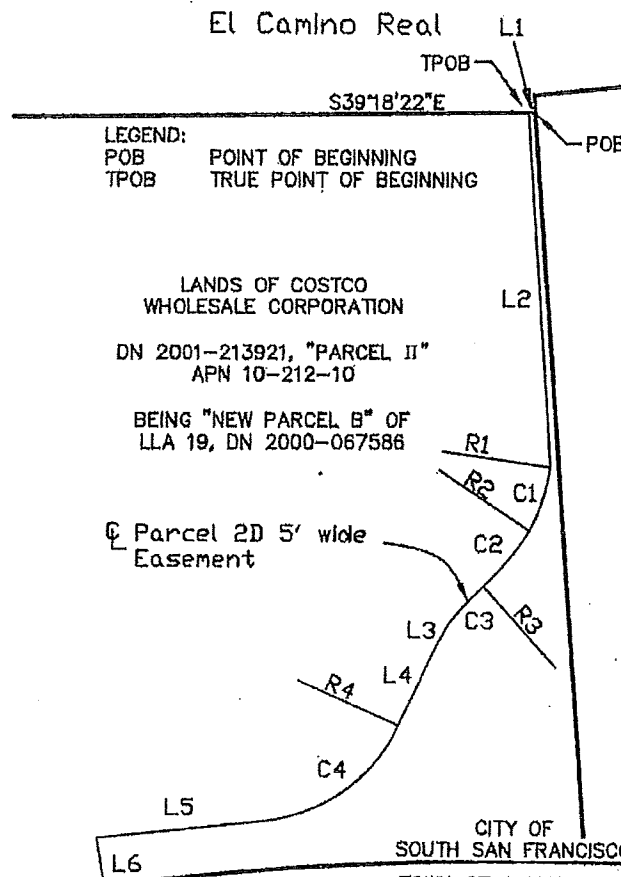


END OF DESCRIPTION

EXHIBIT 2 TO
PERMANENT ELECTRICAL EASEMENT DEED
DEPICTION OF EASEMENT AREA
FOR PERMANENT ELECTRICAL EASEMENT
[Attach Diagram or Picture Depicting
Permanent Electrical Easement Area on Grantor's Property]

[See following page]

EXHIBIT B



LEGEND:
 POB POINT OF BEGINNING
 TPOB TRUE POINT OF BEGINNING

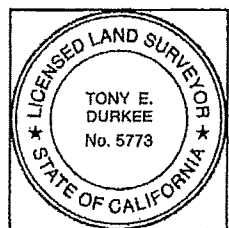
LANDS OF COSTCO
 WHOLESALE CORPORATION
 DN 2001-213921, "PARCEL II"
 APN 10-212-10
 BEING "NEW PARCEL B" OF
 LLA 19, DN 2000-067586

Line Table		
Line	Bearing	Length
L1	S39°18'22"E	5.834'
L2	N47°29'29"E	326.556'
L3	N80°08'18"E	25.524'
L4	N76°23'02"E	79.599'
L5	S44°32'09"E	152.984'
L6	N41°51'49"E	44.650'

Curve Table			
Curve	Radius	Delta	Length
C1	179.166'	19°33'51"	61.178'
C2	309.597'	12°14'45"	66.170'
C3	240.181'	11°08'54"	46.733'
C4	151.565'	60°27'28"	159.929'

Radial Line Table	
R1	N30°31'47"W
R2	N05°12'26"W
R3	S09°41'03"W
R4	N14°26'44"W

Not to Scale



Tony E. Durkee PLS5773, 11-5-2014
 revised parcel 2D Plat.dwg

EXHIBIT B
TO
AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE
FORM OF PERMANENT WELL CONNECTION EASEMENT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

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

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

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

EASEMENT DEED
(Well Water Connection Easement)

(Portion of Assessor's Parcel No. 010-212-100)

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged COSTCO WHOLESALE CORPORATION, a Washington corporation ("**Grantor**"), hereby grants to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**Grantee**"), a nonexclusive subsurface easement and nonexclusive surface easement, for the right to construct, reconstruct, renew, alter, operate, maintain, replace (with the initial or any other size) and repair such pipes, valves, and all necessary maintenance access structures, laterals, and other associated appurtenances as the Grantee shall from time to time elect for conveying water to and from a water well (the "**Easement**"), over, across, along, under, and upon Grantor's real property located at 1600 El Camino Real in the City of South San Francisco, San Mateo County, California, and commonly known as Assessor's Parcel 010-212-100. The specific location of the portion of Grantor's real property that is subject to the Easement is described in the attached **Exhibit 1** and depicted in the attached **Exhibit 2** (the "**Easement Area**"). Maintenance access structures (manholes, etc.) constructed within the Easement Area shall not be covered by earth or other material and shall remain in an exposed and accessible condition at all times for routine and/or emergency maintenance that may be deemed necessary by the Grantee from time to time. Locations of maintenance access structures and all other surface improvements and appurtenances shall be subject to Grantor's approval, not to be unreasonably withheld, conditioned, or delayed.

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 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

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 which may interfere with Grantee's full enjoyment of the Easement.

3. Maintenance of Improvements. Grantee shall be solely responsible for any necessary repair and maintenance of 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 as necessary 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 shall be remedied or repaired by Grantee.

4. Abandonment of Easement. If Grantee permanently abandons 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.

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 (i) hand delivery, against receipt, (ii) reliable next-business-day courier service that provides confirmation of delivery, or (iii) 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 94102
Attention: Brian Morelli, WSIP Right of Way
Manager

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

Grantor:

To: Costco Wholesale Corporation
Attn: Kiersten Jensen
900 Lake Drive
Issaquah, WA 98027-8990

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. In the event Grantor sells, conveys, or assigns any property interest encumbered by the Agreement, Grantor shall notify the successor or assignee of the rights and obligations of both parties as stated herein.

7. Grantee Use of Easement. Grantee accepts the Easement Area "AS IS, WHERE IS," WITH ALL FAULTS, LATENT AND PATENT. Grantee agrees to make all reasonable efforts to minimize the impacts to Grantor and Grantor's property from Grantee's use of the Easement. Grantee shall indemnify, defend, and hold Grantor harmless from and against any and all claims arising out of or relating to the use of the Easement by Grantee or its Agents. Grantee assumes all risks in connection with use of the Easement and expressly confirms that its duty to indemnify, defend, and hold Grantor harmless extends to injuries to persons or property and all other claims to the extent arising in connection with use of the Easement by Grantee or its Agents.

8. Exhibits. The Exhibits referenced in this Easement Deed are attached to and made a part of 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 _____ day of _____, 2015.

GRANTOR:

COSTCO WHOLESALE CORPORATION,
a Washington corporation

By: _____

Its: _____

Date: _____ 2015

By: _____

Its: _____

Date: _____ 2015

ACCEPTED:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
John Updike
Director of Property

PUC Resolution: _____

Dated: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Richard Handel, Deputy City Attorney

CERTIFICATE OF ACCEPTANCE

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

Dated: _____

By: _____
JOHN UPDIKE
Director of Property

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

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

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature _____ (Seal)

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

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

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature _____ (Seal)

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

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

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature _____ (Seal)

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

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

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature _____ (Seal)

EXHIBIT 1 TO
PERMANENT UTILITY WELL CONNECTION EASEMENT DEED
LEGAL DESCRIPTION OF EASEMENT AREA
FOR PERMANENT UTILITY WELL CONNECTION EASEMENT

**[Attach Legal Description of
Permanent Utility Well Connection Easement Area
across Grantor's Real Property]**

[See following page]



ENGINEERS
SURVEYORS
PLANNERS

October 7, 2013

EXHIBIT A
LEGAL DESCRIPTION
10' SUBSURFACE EASEMENT

All that certain real property located in the City of South San Francisco, County of San Mateo, State of California, being a portion of "PARCEL II" as said parcel is described in the Grant Deed to Costco Wholesale Corporation recorded December 28, 2001, as Document Number 2001-213921, Official Records of San Mateo County, and being more particularly described as follows:

A 10 foot wide strip of land, 5.00 feet on each side of the following described center line;

BEGINNING at the most northerly corner of said "PARCEL II", said point lying on the westerly line of the parcel described in the Deed to the City and County of San Francisco recorded September 29, 1944, in Volume 1161 at Page 1 ("Parcel 2" of "San Mateo County Lands"), Official Records of San Mateo County;

Thence along said westerly line along a non-tangent curve concave northeasterly having a radius of 2,954.73 feet, whose center bears North 52°44'03" East, through a central angle of 01°07'48", for an arc length of 58.27 feet to the **TRUE POINT OF BEGINNING** of the strip of land to be herein described;

Thence South 50°45'29" West, 144.10 feet.

Containing an area of 1,441 square feet or 0.03 acres, more or less.

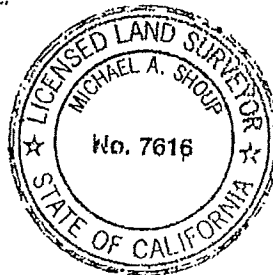
Sidelines of said strip are to be lengthened or shortened so as to terminate in the boundary lines of the grantor.

The North American Datum of 1983, California Coordinate System Zone 3, Epoch 1991.35, was taken as the **BASIS OF BEARINGS** for this description.

A plat showing the above-described parcel is attached hereto and incorporated herein by reference as "EXHIBIT B".

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

Michael A. Shoup, PLS 7616



10-7-13

Dated

END OF DESCRIPTION

EXHIBIT 2 TO
PERMANENT UTILITY WELL CONNECTION EASEMENT DEED

DEPICTION OF EASEMENT AREA

FOR PERMANENT UTILITY WELL CONNECTION EASEMENT

**[Attach Diagram or Picture Depicting
Permanent Utility Well Connection Easement Area on Grantor's Property]**

[See following page]

EXHIBIT B

EL CAMINO REAL (WIDTH VARIES)
 PCL. 41048-1 OF F.O.O.C. 226980
 RE. 7912 IM. 929 (1979)

GRAPHIC SCALE



LINETYPES:

- EASEMENT CENTERLINE
- EASEMENT SIDELINES

LEGEND:

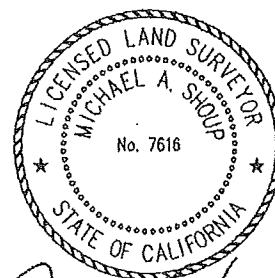
- POB POINT OF BEGINNING
- TPOB TRUE POINT OF BEGINNING

LANDS OF COSTCO
 WHOLESALE CORPORATION
 DN 2001-213921, "PARCEL II"
 APN 10-212-10

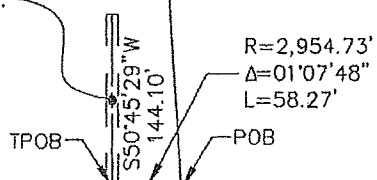
BEING "NEW PARCEL B" OF
 LLA 19, DN 2000-067586

APN 10-181-02

PCL 2E
 SUBSURFACE EASEMENT
 1,441 SQ. FT.



MAS
 10-7-13



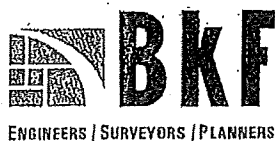
LANDS OF CITY & COUNTY OF SAN FRANCISCO
 VOL. 1161 PG. 1 (1944), "Parcel 2" OF "SAN MATEO COUNTY LANDS"

CITY OF
 SOUTH SAN FRANCISCO

CITY LINE
 TOWN OF COLMA

LANDS OF BART / S.M.C.F.C.D.
 10 DEEDS 1 (1874)

MISSION ROAD



255 SHORELINE DR
 SUITE 200
 REDWOOD CITY, CA 94065
 650-482-6300
 650-482-6399 (FAX)

Subject PCL 2E - PLAT TO ACCOMPANY
LEGAL DESCRIPTION

Job No. 20060212

By AMC Date 10/7/13 Chkd. MAS

SHEET 1 OF 1

EXHIBIT C

TO

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

FORM OF PERMANENT UTILITY WATER CONNECTION EASEMENT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

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

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

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

EASEMENT DEED
(Utility Water Connection Easement)

(Portion of Assessor's Parcel No. 010-212-100)

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged COSTCO WHOLESALE CORPORATION, a Washington corporation ("**Grantor**"), hereby grants to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**Grantee**"), a nonexclusive subsurface easement and nonexclusive surface easement, for the right to construct, reconstruct, renew, alter, operate, maintain, replace (with the initial or any other size) and repair such storm drain or drains as the Grantee shall from time to time elect for conveying, groundwater, storm water, and effluent and all necessary maintenance access structures, laterals, and appurtenances thereto (the "**Easement**"), over, across, along, under, and upon Grantor's real property located at 1600 El Camino Real in the City of South San Francisco, San Mateo County, California, and commonly known as Assessor's Parcel 010-212-100. The specific location of the portion of Grantor's real property that is subject to the Easement is described in the attached **Exhibit 1** and depicted in the attached **Exhibit 2** (the "**Easement Area**"). Maintenance access structures (manholes, etc.) constructed within the Easement Area shall not be covered by earth or other material and shall remain in an exposed and accessible condition at all times for routine and/or emergency maintenance that may be deemed necessary by the Grantee from time to time.. Locations of maintenance access structures and all other surface improvements and appurtenances shall be subject to Grantor's approval, not to be unreasonably withheld, conditioned, or delayed.

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 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 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 which may interfere with Grantee's full enjoyment of the Easement.

3. Maintenance of Improvements. Grantee shall be solely responsible for any necessary repair and maintenance 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 as necessary 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 shall be remedied or repaired by Grantee.

4. Abandonment of Easement. If Grantee permanently abandons 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.

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 (i) hand delivery, against receipt, (ii) reliable next-business-day courier service that provides confirmation of delivery, or (iii) 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 94102
Attention: Brian Morelli, WSIP Right of Way
Manager

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

Grantor:

To: Costco Wholesale Corporation
Attn: Kiersten Jensen
900 Lake Drive
Issaquah, WA 98027-8990

A properly addressed notice transmitted by one of the foregoing methods shall be deemed received upon confirmed delivery, attempted delivery, or rejected delivery. 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. In the event Grantor sells, conveys, or assigns any property interest encumbered by the Agreement, Grantor shall notify the successor or assignee of the rights and obligations of both parties as stated herein.

7. Grantee Use of Easement. Grantee accepts the Easement Area "AS IS, WHERE IS," WITH ALL FAULTS, LATENT AND PATENT. Grantee shall make reasonable efforts to minimize the impacts to Grantor and Grantor's property from Grantee's use of the Easement. Grantee shall indemnify, defend, and hold Grantor harmless from and against any and all claims to the extent arising out of or relating to the use of the Easements by Grantee or its Agents. Grantee assumes all risks in connection with use of the Easements and expressly confirms that its duty to indemnify, defend, and hold Grantor harmless extends to injuries to persons or property and all other claims to the extent arising in connection with use of the Easement by Grantee or its Agents.

8. Exhibits. The Exhibits referenced in this Easement Deed are attached to and made a part of 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 _____ day of _____, 2015.

GRANTOR:

COSTCO WHOLESALE CORPORATION,
a Washington corporation

By: _____

Its: _____

Date: _____ 2015

By: _____

Its: _____

Date: _____ 2015

ACCEPTED:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
John Updike
Director of Property

PUC Resolution: _____

Dated: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Richard Handel, Deputy City Attorney

CERTIFICATE OF ACCEPTANCE

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

Dated: _____

By: _____
JOHN UPDIKE
Director of Property

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

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

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature _____ (Seal)

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

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

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature _____ (Seal)

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

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

Signature _____ (Seal)

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

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

Signature _____ (Seal)

EXHIBIT 1 TO

PERMANENT UTILITY WATER CONNECTION EASEMENT DEED

LEGAL DESCRIPTION OF EASEMENT AREA

FOR PERMANENT UTILITY WATER CONNECTION EASEMENT

**[Attach Legal Description of
Permanent Utility Water Connection Easement Area
across Grantor's Real Property]**

[See following page]

October 7, 2013



**ENGINEERS
SURVEYORS
PLANNERS**

**EXHIBIT A
LEGAL DESCRIPTION
10' SUBSURFACE EASEMENT**

All that certain real property located in the City of South San Francisco, County of San Mateo, State of California, being a portion of "PARCEL IP" as said parcel is described in the Grant Deed to Costco Wholesale Corporation recorded December 28, 2001, as Document Number 2001-213921, Official Records of San Mateo County, and being more particularly described as follows:

A 10 foot wide strip of land, 5.00 feet on each side of the following described center line;

BEGINNING at the most northerly corner of said "PARCEL IP", said point lying on the westerly line of the parcel described in the Deed to the City and County of San Francisco recorded September 29, 1944, in Volume 1161 at Page 1 ("Parcel 2" of "San Mateo County Lands"), Official Records of San Mateo County;

Thence along said westerly line along a non-tangent curve concave northeasterly having a radius of 2,954.73 feet, whose center bears North 52°44'03" East, through a central angle of 02°37'06", for an arc length of 135.03 feet to the **TRUE POINT OF BEGINNING** of the strip of land to be herein described;

Thence South 50°45'30" West, 144.16 feet.

Containing an area of 1,442 square feet or 0.03 acres, more or less.

Sidelines of said strip are to be lengthened or shortened so as to terminate in the boundary lines of the grantor.

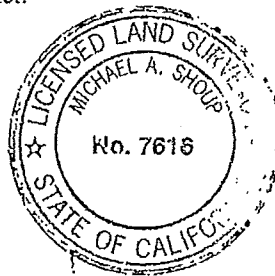
The North American Datum of 1983, California Coordinate System Zone 3, Epoch 1991.35, was taken as the **BASIS OF BEARINGS** for this description.

A plat showing the above-described parcel is attached hereto and incorporated herein by reference as "EXHIBIT B".

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

A handwritten signature in black ink, appearing to read "Michael A. Shoup".

Michael A. Shoup, PLS 7616



10-7-13
Dated

END OF DESCRIPTION

255 Shoreline Drive
Suite 200
Redwood City
California 94065
phone 650.482.6300
fax 650.482.6399
www.bkf.com

EXHIBIT 2 TO

PERMANENT UTILITY WATER CONNECTION EASEMENT DEED

DEPICTION OF EASEMENT AREA

FOR PERMANENT UTILITY WATER CONNECTION EASEMENT

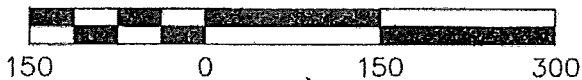
**[Attach Diagram or Picture Depicting
Permanent Utility Water Connection Easement Area on Grantor's Property]**

[See following page]

EXHIBIT B

EL CAMINO REAL (WIDTH VARIES)
 PCL. 41048-1 OF F.O.O.C. 226980
 RE. 7912 IM. 929 (1979)

GRAPHIC SCALE

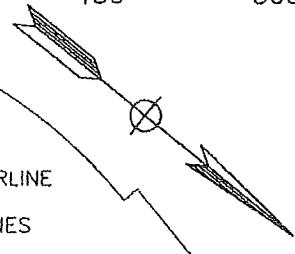


LINETYPES:

- EASEMENT CENTERLINE
- EASEMENT SIDELINES

LEGEND:

- POB POINT OF BEGINNING
- TPOB TRUE POINT OF BEGINNING



LANDS OF COSTCO
 WHOLESALE CORPORATION
 DN 2001-213921, "PARCEL II"
 APN 10-212-10

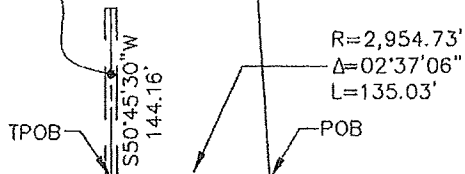
BEING "NEW PARCEL B" OF
 LLA 19, DN 2000-067586

PCL 2F
 SUBSURFACE EASEMENT
 1,442 SQ. FT.

APN 10-181-02



Handwritten signature and date: MAS 10-7-13



LANDS OF CITY & COUNTY OF SAN FRANCISCO
 VOL. 1161 PG. 1 (1944), "Parcel 2" of "SAN MATEO COUNTY LANDS"

CITY OF
 SOUTH SAN FRANCISCO
 CITY LINE

TOWN OF COLMA
 LANDS OF BART / S.M.C.F.C.D.
 10 DEEDS 1 (1874)

N52°44'03"E (R)

MISSION ROAD



255 SHORELINE DR
 SUITE 200
 REDWOOD CITY, CA 94065
 650-482-6300
 650-482-6399 (FAX)

Subject PCL 2F - PLAT TO ACCOMPANY
LEGAL DESCRIPTION

Job No. 20060212

By AMC Date 10/7/13 Chkd. MAS

SHEET 1 OF 1

EXHIBIT D

TO

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

FORM OF TEMPORARY CONSTRUCTION EASEMENT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

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

The undersigned hereby declares this
instrument to be exempt from Recording Fees
(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 010-212-100)

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged COSTCO WHOLESALE CORPORATION, a Washington 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 located at 1600 El Camino Real, in the City of South San Francisco, San Mateo County, California, and commonly known as Assessor's Parcel 010-212-100. The specific location of the portion of Grantor's real property that is subject to the Easement is described in the attached **Exhibit 1** and depicted in the attached **Exhibit 2** (the "**Easement Area**").

1. Nature of Easement. The Easement Area shall consist of an exclusive (subject to any pre-existing rights of record or by prescription, if any) 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 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").

2. Term of Easement. The term of the Easement shall 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 eighteenth (18th) 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 twelve (12) 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 for the initial term (prorated on a monthly basis).

3. Restoration. Upon the earlier of expiration of the term of the Easement or Grantee's completion of the Project, Grantee shall restore, as nearly as reasonably possible, the surface of the Easement Area to its condition immediately prior to the commencement of the work related to the Project.

4. 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 (i) hand delivery, against receipt, (ii) reliable next-business-day courier service that provides confirmation of delivery, or (iii) 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 94102
Attention: Brian Morelli, WSIP Right of Way
Manager

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

Grantor:

To:

Costco Wholesale Corporation
Attn: Kiersten Jensen
900 Lake Drive
Issaquah, WA 98027-8990

A properly addressed notice transmitted by one of the foregoing methods shall be deemed received upon confirmed delivery, attempted delivery, or rejected delivery. Neither party may give official or binding notice by facsimile.

5. 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 the Agreement, Grantor shall notify the successor or assignee of the rights and obligations of both parties as stated herein.

6. Grantee Use of Easement. Grantee accepts the Easement Area "AS IS, WHERE IS," WITH ALL FAULTS, LATENT AND PATENT. Grantee shall make all reasonable efforts to minimize the impacts to Grantor and Grantor's property from Grantee's use of the Easement. Grantee shall indemnify, defend, and hold Grantor harmless from and against any and all claims to the extent arising out of or relating to the use of the Easement by Grantee or its Agents. Grantee assumes all risks in connection with use of the Easement and expressly confirms that its duty to indemnify, defend, and hold Grantor harmless extends to injuries to persons or property and all other claims to the extent arising in connection with use of the Easement by Grantee or its Agents.

7. Exhibits. The Exhibits referenced in this Deed are attached to and made a part of this Deed.

7.8. Counterparts. This 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 _____ day of _____, 2015.

GRANTOR:

COSTCO WHOLESALE CORPORATION,
a Washington corporation

By: _____

Date: _____, 2015

By: _____

Date: _____, 2015

ACCEPTED:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____

John Updike
Director of Property

PUC Resolution: _____

Dated: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Richard Handel, Deputy City Attorney

CERTIFICATE OF ACCEPTANCE

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

Dated: _____

By: _____

JOHN UPDIKE
Director of Property

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 _____ (Seal)

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 _____ (Seal)

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 _____ (Seal)

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 _____ (Seal)

EXHIBIT 1 TO
TEMPORARY CONSTRUCTION EASEMENT DEED
LEGAL DESCRIPTION OF EASEMENT AREAS
FOR TEMPORARY CONSTRUCTION EASEMENT

**[Attach Legal Descriptions of
Temporary Construction Easement Area
across Grantor's Real Properties]**

[See following page]

November 7, 2014

**EXHIBIT A
LEGAL DESCRIPTION
TEMPORARY CONSTRUCTION EASEMENT**

All that certain real property located in the City of South San Francisco, County of San Mateo, State of California, being a portion of "PARCEL II" as said parcel is described in the Grant Deed to Costco Wholesale Corporation recorded December 28, 2001, as Document Number 2001-213921, Official Records of San Mateo County, and being more particularly described as follows:

BEGINNING at the most westerly corner of said "PARCEL II", said point lying on the northeasterly right-of-way line of El Camino Real as described in Parcel 41048-1 of the Final Order of Condemnation No. 226980 recorded November 8, 1979, on Reel 7912 at Image 929;

thence along the northeasterly line of said "PARCEL II", North 47°09'16" East, 691.389 feet to the westerly line of the parcel described in the Deed to the City and County of San Francisco recorded September 29, 1944, in Volume 1161 at Page 1 ("Parcel 2" of "San Mateo County Lands"), Official Records of San Mateo County, the beginning of a non-tangent curve to the left;

thence along said curve having a radius of 2,954.732 feet, through a central angle of 8°46'51", radial to a line bearing South 52°44'03" West from the radius point of said curve to the point of curve, a distance of 452.824 feet;

thence South 41°51'49" West, 49.924 feet;

thence North 44°32'09" West, 163.343 feet to the beginning of a non-tangent curve to the left;

thence along said curve having a radius of 146.565 feet, through a central angle of 60°28'52", radial to a line bearing North 46°01'17" East from the radius point of said curve to the point of curve, a distance of 154.713 feet;

thence South 76°23'02" West, 79.799 feet;

thence South 80°08'18" West, 26.053 feet to the beginning of a non-tangent curve to the right;

thence along said curve having a radius of 245.181 feet, through a central angle of 11°12'26", radial to a line bearing South 1°33'01" East from the radius point of said curve to the point of curve, a distance of 47.959 feet to the beginning of a non-tangent curve to the left;

thence along said curve having a radius of 304.597 feet, through a central angle of 12°10'37", radial to a line bearing North 7°01'02" East from the radius point of said curve to the point of curve, a distance 64.735 feet to the beginning of a non-tangent curve to the left;

thence along said curve having a radius of 174.166 feet, through a central angle of 24°34'46", radial to a line bearing North 11°02'53" West from the radius point of said curve to the point of curve, a distance 74.715 feet;

thence South 47°09'16" West, a distance of 310.477 feet to said northeasterly right-of-way line of El Camino Real;

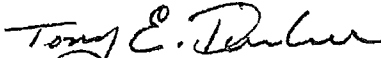
thence along said northeasterly right-of-way line, North 39°18'22" West, a distance of 10.019 feet to the **POINT OF BEGINNING**.

Containing an area of 62,881 square feet, more or less.

The North American Datum of 1983, California Coordinate System Zone 3, Epoch 1991.35, was taken as the **BASIS OF BEARINGS** for this description.

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

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


Tony E. Durkee, PLS 5773



END OF DESCRIPTION

EXHIBIT 2 TO
TEMPORARY CONSTRUCTION EASEMENT DEED
DEPICTION OF EASEMENT AREA
FOR TEMPORARY CONSTRUCTION EASEMENT
[Attach Diagram or Picture Depicting
Temporary Construction Easement Area on Grantor's Property]

EXHIBIT B

El Camino Real

S39°18'22"E

L5

LEGEND:

POB POINT OF BEGINNING

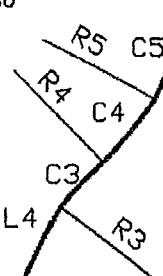
----- Ease. Bndry.

LANDS OF COSTCO
WHOLESALE CORPORATION

DN 2001-213921, "PARCEL II"
APN 10-212-10

BEING "NEW PARCEL B" OF
LLA 19, DN 2000-067586

Temporary
Construction
Eaement



Parcel 2G
Area
62,881 sq.ft.±

Line Table		
Line	Bearing	Length
L1	S41°51'49"W	49.924'
L2	N44°32'09"W	163.343'
L3	S76°23'02"W	79.799'
L4	S80°08'18"W	26.053'
L5	N39°18'22"W	10.019'

Curve Table			
Curve	Radius	Delta	Length
C1	2,954.732'	8°46'51"	452.824'
C2	146.565'	60°28'52"	154.713'
C3	245.181'	11°12'26"	47.959'
C4	304.597'	12°10'37"	64.735'
C5	174.166'	24°34'46"	74.715'

Radial Line Table	
R1	S52°44'03"W
R2	N46°01'17"E
R3	S01°33'01"E
R4	N07°01'02"E
R5	N11°02'53"W

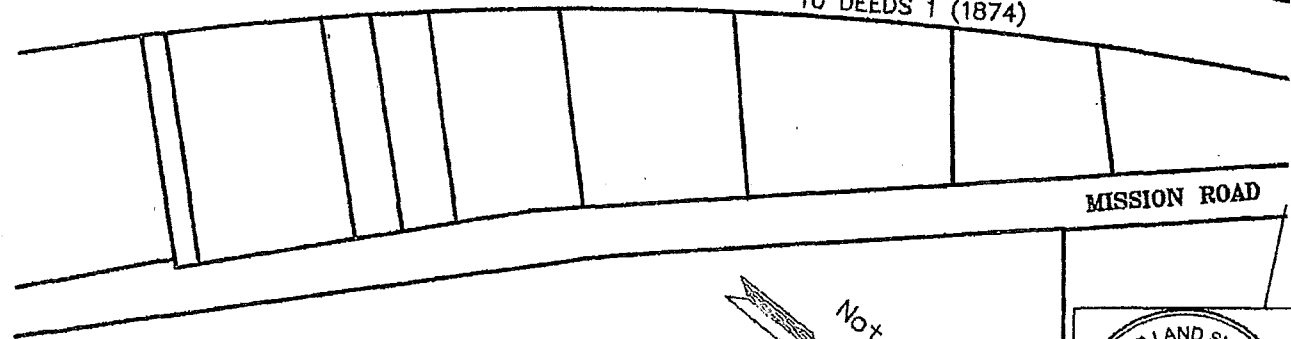
L1

Lands of
City of San Francisco

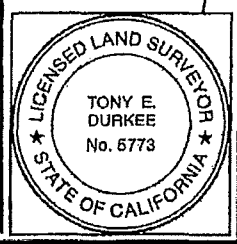
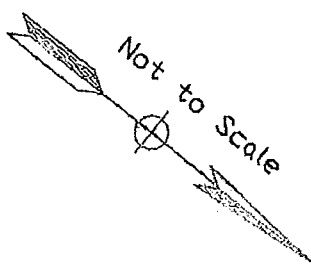
CITY OF APN 10-181-02
SOUTH SAN FRANCISCO

TOWN OF COLMA

LANDS OF BART / S.M.C.F.C.D.
10 DEEDS 1 (1874)



MISSION ROAD



Tony E. Durkee PLS5773, 11-7-2014
revised parcel 2G Plat.dwg

EXHIBIT E
TO
AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE
PRELIMINARY TITLE REPORT

[See following pages]



CHICAGO TITLE COMPANY

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(s) of title insurance to be issued hereunder will be policy(s) 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.

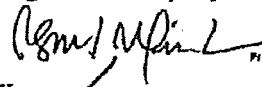
It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.


Countersigned



Chicago Title Company

BY

 President

ATTEST

 Secretary

Visit Us on our Website: www.ctic.com



Chicago Title Company

ISSUING OFFICE: 2150 John Glenn Drive, Suite 300 • Concord, CA 94520
925 288-8000 • FAX 925 521-9562

PRELIMINARY REPORT

Amended

Title Officer: Jeff Martin

Title No.: 13-40705182-A-JM
Locate No.: CACTI7741-7741-2407-0040705182

TO: Chicago Title Company-San Francisco
455 Market Street, Suite 2100
San Francisco, CA 94105

ATTN: Terry Duwel
YOUR REFERENCE: 160330917

PROPERTY ADDRESS: APN# 010-212-100, UnIncorporated Area of San Mateo, California

EFFECTIVE DATE: September 5, 2013, 07:30 A.M.

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

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

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

COSTCO WHOLESALE CORPORATION, a Washington corporation
3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

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

BS\BS 10/11/2013

LEGAL DESCRIPTION

EXHIBIT "A"

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

Parcel B as shown in Lot Line Adjustment No. 19 as evidenced by document recorded June 7, 2000 as Document No. 2000-067586 of Official Records, being more particularly described as follows:

Being portions of Parcels 1 and 2 as said parcels are described in the Quit Claim Deed to Macy Service Center Corp. recorded November 18, 1969 in Volume 5716 at Page 351, Official Records of San Mateo, more particularly described as follows:

Beginning at a point in the Northeasterly line of said Parcel I, distant thereon North 52° 10' 23" West, 994.90 feet from the Easterly corner of said Parcel I, said Northeasterly line being also the Southwesterly line of that certain 60.00 foot wide parcel of land described in the Deed to the City and County of San Francisco recorded September 29, 1944 in Volume 1161 at Page 1, Official Records of San Mateo County.

Thence leaving said Northeasterly line, South 37° 46' 52" West, 234.94 feet;

Thence Southwesterly along the arc of a 400.00 foot radius, tangent curve to the right, through a central angle of 49° 42' 07", an arc distance of 346.98 feet to a point of reverse curvature.

Thence Westerly and Southwesterly along the arc of a 189.00 foot radius, tangent curve to the left, through a central angle of 55° 28' 49", an arc distance of 183.01 feet;

Thence South 32° 00' 10" West, 30.45 feet to the Northeasterly right of way line of El Camino Real as described in Parcel 41048-1 of the Final Order of Condemnation No. 226980 recorded November 8, 1979 on Reel 7912 at Image 929, San Mateo County Records.

Thence along said Northeasterly right of way line, the following two courses:

- 1) Northwesternly along the arc of a 790.00 foot radius curve to the right, the center of which curve bears North 31° 59' 46" East, through a central angle of 17° 32' 66", an arc distance of 241.97 feet; and
- 2) North 42° 27' 18" West, 601.45 feet to the intersection thereof with the Northwesternly line of said Parcel 2 (5716 O.R. 351)

Thence along said Northwesternly line, North 46° 04' 10" East, 691.39 feet to the Northerly corner of said Parcel 2, said corner being a point in the Southwesterly line of that certain 60 foot wide parcel of land described in the Deed to the City and County of San Francisco recorded September 29, 1944 in Volume 1161 at Page 1, Official Records of San Mateo County.

Thence along the Northeasterly line of said Parcel 2 and along the Northeasterly line of said Parcel 1, the following two courses:

- 1) Southeasterly along the arc of a 2954.93 foot radius curve to the left, the center of which curve bears North 51° 36' 56" East, through a central angle of 13° 47' 49", an arc distance of 711.55 feet; and
- 2) South 52° 10' 53" East, 229.54 feet to the point of beginning.

Joint Plant No. 010-021-212-01A and 010-021-212-02A

APN: 010-212-100

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

1. **Property taxes**, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2013-2014, Assessor's Parcel Number 010-212-100.

Code Area Number: 13-061
1st Installment: \$237,287.44 Open
2nd Installment: \$237,287.44 Open
Land: \$18,268,358.00
Improvements: \$18,098,001.00
Exemption: \$0.00
Personal Property: \$2,543,752.00; Fixtures: \$648,675.00

Prior to close of escrow, please contact the Tax Collector's Office to confirm, all amounts owing. Current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.

2. **An assessment** by the improvement district shown below

Assessment
(or Bond) No: Not shown
District: City of South San Francisco
For: 1915 Bond City of South San Francisco 1989-A;
1915 Bond City of South San Francisco 1898-B

Said assessment is collected with the county/city property taxes.

3. **The lien of supplemental taxes**, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation code of the State of California.

4. **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
Purpose: Sewer lines and right of ingress and egress
Recorded: December 22, 1950, Book /Reel 1997, Page /Page 20, of Official Records
Affects: Portions of said land

And amended by document recorded December 20, 1966, Document No. 17005-AA, Book/Reel 5251 of Official Records at Page/Image 319, Records of San Mateo County, California.

And a Quitclaim Deed from The City of South San Francisco, to Macy's California, Inc., a California corporation, releasing a portion of said Easement. It is noted that portion described is not the portion delineated on the plat attached thereto.

ITEMS: (continued)

Title No. 13-40705182-A-JM
Locate No. CACT17741-7741-2407-0040705182

5. 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
Purpose: Flood and surface run-off water
Recorded: December 20, 1966, Instrument No. 17007-AA, Book 5251, Page 271, of Official Records
Affects: Portion of said land

and recorded December 20, 1966 in Instrument 17004-AA, Book 5251, Page 311, of Official Records.

And amended by a Quitclaim Deed from the City of South San Francisco to R. H. Macy & Co., Inc. recorded November 14, 1968, Book 5558, Page 531, Instrument 90752-AB.

6. A covenant and agreement entitled "Resolution No. 4532"

Executed by: City of South San Francisco
In favor of: Macy's
Recorded: September 20, 1966, Instrument No. 17007-AA, Book /Reel 5251, Page /Image 373, of Official Records

Reference is hereby made to said document for full particulars.

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

Granted to: California Water Service Company
Purpose: Water pipelines
Recorded: February 7, 1968, Instrument No. 17428-AB, Book /Reel 5428/Image 587, of Official Records
Affects: A portion of said land

8. A covenant and agreement entitled "Exchange Deed"

Executed by: City and County of San Francisco
In favor of: R. H. Macy's Co.
Recorded: August 6, 1968, Instrument No. 64881-AB, Book /Reel 5512, Page /Image 448, of Official Records

Which among other things provides: Pipes, pipelines, conduits and/or connections and incidental purposes

Reference is hereby made to said document for full particulars.

ITEMS: (continued)

Title No. 13-40705182-A-JM
Locate No. CACT17741-7741-2407-0040705182

9. **Matters** contained in that certain document entitled "Assignment and Assumption Agreement" dated November 18, 1969, executed by and between R. H. Macy & Co., Inc. and Macy Service Center Corp. recorded November 18, 1969, Instrument No. 80620-AC, Book /Reel 5716, Page /Image 358, of Official Records, which document, among other things, contains or provides for: a) Private Crossing License from Southern Pacific Company, dated November 1, 1966, b) Encroachment Agreement with Treasure Island Motel and Trailer Court, dated December 19, 1966, c) Permit to South San Francisco United School District, dated December 19, 1966.

Reference is hereby made to said document for full particulars.

10. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: Macy Service Center Corp., a California corporation, et al
Purpose: Cut and fill highway slope and for drainage purposes
Recorded: November 8, 1979, Instrument No. 83139-AO, Book /Reel 7912, Page /Image 929, of Official Records
Affects: Portions of said land

11. **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 municipal corporation of the State of California
Purpose: Sanitary sewer
Recorded: March 9, 1984, Instrument No. 84025991, of Official Records
Affects: Portions of said land

12. **The fact** that said land is included within a project area of the Redevelopment Agency shown below, and 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.

Redevelopment
Agency: El Camino Corridor Redevelopment Project
Recorded: July 16, 1993, Instrument No. 93117800, of Official Records

13. **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: Aboveground and underground electrical facilities
Recorded: July 19, 2001, Instrument No. 2001-109824, of Official Records
Affects: Portions of said land

ITEMS: (continued)

Title No. 13-40705182-A-JM
Locate No. CACTI7741-7741-2407-0040705182

14. **Matters** contained in that certain document entitled "Declaration of Easements and Covenants" dated Not shown, executed by COSTCO WHOLESALE CORPORATION recorded April 22, 2004, Instrument No. 2004-078747, of Official Records.

Reference is hereby made to said document for full particulars.

15. **Covenants, conditions and restrictions** in the declaration of restrictions but omitting any covenants or restrictions, if any, including, but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

Recorded: April 22, 2004, Instrument No. 2004-078748, of Official Records

16. No open Deeds of Trust: CONFIRM BEFORE CLOSING

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

18. **Any rights of the parties in possession** of a portion of, or all of, said land, which rights are not disclosed by the public record.

This 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.

19. **This Company will require** the following documents for review prior to the issuance of any title assurance predicated upon a conveyance or encumbrance by the corporation named below.

Corporation: COSTCO WHOLESALE CORPORATION, a Washington corporation,

(a) A copy of the corporation By-Laws and Articles of Incorporation.

(b) An original or certified copy of the 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 right is reserved to add requirements or additional items after completion of such review.

20. **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 ITEMS

- Note 1.** The name(s) of the buyer(s) furnished with this application for Title Insurance is/are:
No name(s) furnished
If these names are incorrect, incomplete or misspelled, please notify the Company.
- Note 2.** There are NO deeds affecting said land, recorded within twenty-four (24) months of the date of this report.
- Note 3.** The 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 description in this report covers the parcel requested, however, if the legal description is incorrect a new report must be prepared.

If the legal description is incorrect, in order to prevent delays, the seller/buyer/borrower must provide the Company and/or the settlement agent with the correct legal description intended to be the subject of this transaction.
- Note 4.** 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 5.** Please contact Escrow Office for Wire Instructions.
- Note 6.** 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

ATTACHMENT ONE

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:

1. 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

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

1. Any rights, interests, or claims of parties in possession of the land not shown by the public records.

2. Any easements or liens not shown by the public records. This does not limit the lien coverage in Item 8 of Covered Title Risks.

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
- or
- in streets, alleys, or waterways that touch your land

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

3. Any facts about the land which a correct survey would disclose and which are not shown by the public records. This does not limit the forced removal coverage in Item 12 of Covered Title Risks.

4. Any water rights or claims or title to water in or under the land, whether or not shown by the public records.

**ATTACHMENT ONE
(CONTINUED)**

**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.
2. 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.
 6. 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.

**SCHEDULE B, PART I
EXCEPTIONS FROM COVERAGE**

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:

PART I

1. 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.
2. 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.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. 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.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**ATTACHMENT ONE
(CONTINUED)**

**FORMERLY AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92)
WITH A.L.T.A. ENDORSEMENT-FORM 1 COVERAGE
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 to (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.
2. 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) 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 (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services,

labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at 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.

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 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.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
(i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
(ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
(iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
(a) to timely record the instrument of transfer; or
(b) of such recordation to impart notice to a purchaser for value or a judgement or lien creditor.

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) which arise by reason of:

1. 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.
2. 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.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. 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.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**ATTACHMENT ONE
(CONTINUED)**

**2006 AMERICAN LAND TITLE ASSOCIATION 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:

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.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. 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.

4. 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.
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 13(b) of this policy.
7. 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:

1. (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.

**ATTACHMENT ONE
(CONTINUED)**

**FORMERLY AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92)
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 to (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.
2. 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) 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 estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
(i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
(ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
(a) to timely record the instrument of transfer; or
(b) of such recordation to impart notice to a purchaser for value or a judgement or lien creditor.

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) which arise by reason of:

1. 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.
2. 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.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. 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.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**ATTACHMENT ONE
(CONTINUED)**

**2006 AMERICAN LAND TITLE ASSOCIATION 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:

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.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. 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.
4. 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.
 5. 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:

1. (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.

**ATTACHMENT ONE
(CONTINUED)**

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-22-03)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-22-03)
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 any law or government regulation. This includes ordinances, laws and regulations concerning:
 - a. building
 - b. zoning
 - c. Land use
 - d. improvements on Land
 - e. Land division
 - f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date. This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.
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 apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
 - a. notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they appear 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.d, 22, 23, 24 or 25.
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 18.

LIMITATIONS ON COVERED RISKS

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

- For Covered Risk 14, 15, 16 and 18, 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:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 14:	1.00% of Policy Amount or <u>\$ 2,500.00</u> (whichever is less)	\$ <u>10,000.00</u>
Covered Risk 15:	1.00% of Policy Amount or <u>\$ 5,000.00</u> (whichever is less)	\$ <u>25,000.00</u>
Covered Risk 16:	1.00% of Policy Amount or <u>\$ 5,000.00</u> (whichever is less)	\$ <u>25,000.00</u>
Covered Risk 18:	1.00% of Policy Amount or <u>\$ 2,500.00</u> (whichever is less)	\$ <u>5,000.00</u>

**ATTACHMENT ONE
(CONTINUED)**

**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.
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.
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:

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

**ATTACHMENT ONE
(CONTINUED)**

**ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)
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 zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvements now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas 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. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this 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. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
2. 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) 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 damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or
 - (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
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 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, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.
7. 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 limit the coverage provided in Covered Risk 8.
8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:
 - (a) The time of the advance; or
 - (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.
9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

**ATTACHMENT ONE
(CONTINUED)**

**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.
2. 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.
4. 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.
7. 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.
9. 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.

Fidelity National Financial, Inc.
Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in this Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

Personal Information Collected

We may collect Personal Information about you from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information, and income information;
- Information we receive from you through our Internet websites, such as your name, address, email address, Internet Protocol address, the website links you used to get to our websites, and your activity while using or reviewing our websites;
- Information about your transactions with or services performed by us, our affiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transaction, account balances, and credit card information; and
- Information we receive from consumer or other reporting agencies and publicly recorded documents.

Disclosure of Personal Information

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 insurance agents, brokers, representatives, support organizations, 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 for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;
- To an insurance regulatory authority, or a law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;
- To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements 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.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Disclosure to Affiliated Companies - We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. 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.

Disclosure to Nonaffiliated Third Parties - We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

Confidentiality and Security of Personal Information

We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard Personal Information.

Access To Personal Information/

Requests for Correction, Amendment, or Deletion of Personal Information

As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's current policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future coverage claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law, we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer
Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, FL 32204

Changes to this Privacy Statement

This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

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.

FNF Underwritten Title Company
CTC – Chicago Title Company

FNF Underwriter
CTIC – Chicago Title Insurance Company

Available Discounts

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

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within 12 or 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.

FEE REDUCTION SETTLEMENT PROGRAM (CTC and CTIC)

Eligible customers shall receive a \$20.00 reduction in their title and/or escrow fees charged by the Company for each eligible transaction in accordance with the terms of the Final Judgments entered in *The People of the State of California et al. v. Fidelity National Title Insurance Company et al.*, Sacramento Superior Court Case No. 99AS02793, and related cases.

DISASTER LOANS (CTIC)

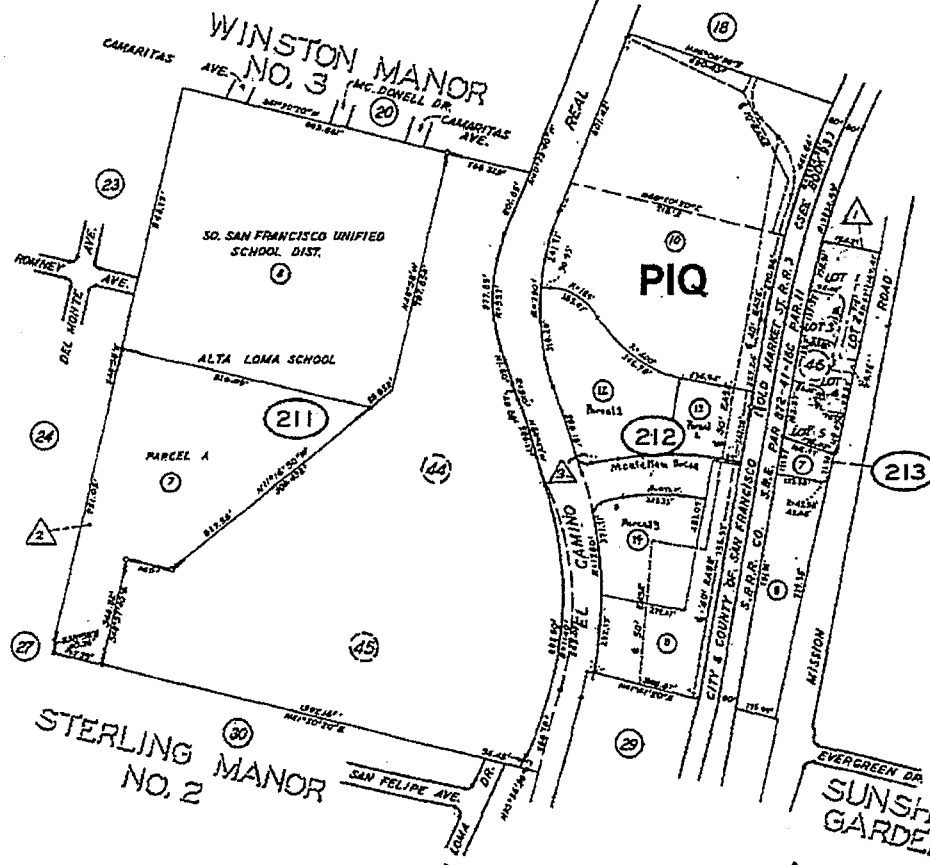
The charge for a Lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was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

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (CTIC)

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 50% or 70% of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender's policy shall be 32% or 50% of the appropriate title insurance rate, depending on the type of coverage selected.

TAX CODE AREA

10-21



Important: This plat is not a survey. It is furnished as a convenience to locate the land in relation to adjoining streets and other lands and not to guarantee any dimensions, distances, bearings or acreage.

ASSESSOR'S MAP COUNTY OF SAN MATEO, CALIF.

3 PARCEL MAP VOL 75/86-89
 2 PARCEL MAP VOL 67/80-81

MISSION VILLAS AT COLMA RSM 132/39-41
 .ACREAGE CITY OF SO. SAN FRANCISCO
 .ACREAGE TOWN OF COLMA