

CARMEN CHU
ASSESSOR-RECORDER



SAN FRANCISCO
OFFICE OF THE ASSESSOR-RECORDER

March 25, 2016

Angela Calvillo, Clerk of the Board
Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

RE: Requesting that the Board of Supervisors Initiate Tax Lien Proceedings under San Francisco Business and Tax Regulations Code section 1115.1 for Delinquent Real Property Transfer Taxes – Hotel Rex, San Francisco

Dear Ms. Calvillo:

The Assessor-Recorder hereby submits the attached report to the City and County of San Francisco Board of Supervisors under Section 1115.1(a) of Article 12-C of the San Francisco Business and Tax Regulations Code. This matter involves delinquent real property transfer taxes related to the sale of the Hotel Rex (562 Sutter Street, APN 0284-010) in 2012. The amount of delinquent transfer tax, penalties and interest totals \$440,038 (as of April 8, 2016), as further described below.

On November 14, 2012, a grant deed was recorded as Document 2012-J542526 transferring title of the Hotel Rex from Rising Rex LLP and LV Rex 7 LLC to Diamond Rock SF Sutter Street Owner LLC. The purchase price reported on the Preliminary Change of Ownership Report (PCOR) and transfer tax affidavit accompanying the grant deed was \$18,842,000, exclusive of non-realty tangible and intangible personal property, and transfer tax of \$471,050 was paid.

On September 16, 2015, the Assessor-Recorder completed its valuation of the November 14, 2012 transaction. The Assessor-Recorder determined that entire purchase price was \$29,500,000 and the value of the real estate, exclusive of non-realty, tangible and intangible personal property, was \$28,900,000, or approximately \$10 million more than what was declared at the time of recording. This value differential results in a transfer tax liability of an additional \$251,450.

On September 25, 2015 the Assessor-Recorder issued a demand letter to the new owner, Diamond Rock SF Sutter Street Owner LLC for the unpaid transfer tax liability, plus penalties and interest per Section 1115 of Article 12-C of the City and County of San Francisco Business and Tax Regulations Code. The total amount due was \$424,951 (if paid by October 14, 2015). On December 21, 2015 the Assessor-Recorder received a response to this demand letter stating that the seller did not agree with the Assessor-Recorder's valuation.

Report to the Board of Supervisors
Re: Hotel Rex
March 25, 2016
Page 2 of 2

On January 15, 2016 the Assessor-Recorder recorded a Notice of Delinquent Real Property Transfer Taxes as Document 2016-K188248, which indicated a total amount due of \$435,009 (if paid by February 14, 2016). A copy of the recorded notice was sent via email and US Mail to Diamond Rock SF Sutter Street Owner LLC on January 15, 2016. This notice included a cover letter indicating that the Assessor-Recorder would initiate lien proceedings if the delinquency was not paid by February 14, 2016.

Based on the foregoing, the Assessor-Recorder requests the City and County of San Francisco Board of Supervisors initiate proceedings to impose a lien under San Francisco Business and Tax Regulations Code section 1115.1 for the total unpaid balance against the real property transferred by Document 2012-J542526, 562 Sutter Street, APN 0284-010).

Sincerely,

A handwritten signature in black ink, appearing to be 'Carmen Chu', with a large, stylized initial 'C'.

Carmen Chu
Assessor-Recorder



**Report to the City and County of San Francisco Board of Supervisors
Pursuant to San Francisco Business and Tax Regulations Code Section 1115.1(a)
Hotel Rex, San Francisco**

The San Francisco Assessor-Recorder has determined that insufficient transfer tax was paid on the Hotel Rex sale (562 Sutter Street) recorded on November 14, 2012 as Document # 2012-J542526.

A Notice of Delinquent Real Property Transfer Taxes was recorded on January 15, 2016 as Document # 2016-K188248 (attached); the delinquent taxes, penalties and interest total \$435,009 (as of February 14, 2016).

Pursuant to San Francisco Business and Tax Regulations Code section 1115.1, the Assessor-Recorder requests that the Board initiate proceedings to impose a lien for the unpaid tax, together with penalties and interest, against the real property described in the attached Notice of Delinquent Real Property Transfer Taxes, and summarized below.

Property Location: 562 Sutter Street
Property Name: Hotel Rex
Assessor's Parcel Number: 0284-010
Document Number: 2012-J542526
Recording Date: 11/14/2012
Delinquency Date: 12/14/2012

Grantee: Diamondrock SF Sutter Street Owner, LLC
c/o DiamondRock Hospitality Company
3 Bethesda Metro Center, Suite 1500
Bethesda, MD 20814

Grantor: Rising Rex L.P.
c/o Skyline Pacific Properties, LLC
558 Sacramento Street, Suite 400
San Francisco, CA 94111

Grantor: LV Rex 7, LLC
c/o Land Value Management
5082 N. Palm Avenue, Suite B
Fresno, CA 93704

CARMEN CHU
ASSESSOR-RECORDER



SAN FRANCISCO
OFFICE OF THE ASSESSOR-RECORDER

VIA EMAIL AND US MAIL

January 15, 2016

Ms. Briony R. Quinn
Chief Accounting Officer and Corporate Controller
DiamondRock SF Sutter Street Owner, LLC
c/o DiamondRock Hospitality Company
3 Bethesda Metro Center, Suite 1500
Bethesda, MD 20814

RE: Notice of Delinquent Real Property Transfer Taxes – Hotel Rex, San Francisco

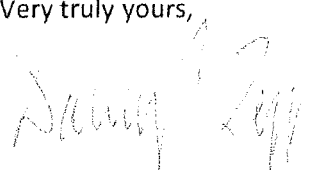
Dear Ms. Quinn:

The San Francisco Assessor-Recorder has determined that insufficient transfer tax was paid on the Hotel Rex sale recorded on November 14, 2012 as Document # 2012-J542526; this tax is delinquent.

As indicated in the attached Notice of Delinquent Real Property Transfer Taxes, recorded on January 15, 2016, as Document # 2016-K188248, the delinquent taxes, penalties and interest total \$435,009. Under San Francisco Business and Tax Regulations Code section 1115.1, if the total amount due is not paid within 30 days of the recordation date of this notice, this office will initiate proceedings at a noticed public hearing before the San Francisco Board of Supervisors to impose a lien for the unpaid tax, together with penalties and interest, against the real property described in the delinquency notice.

Please remit \$435,009 by February 14, 2016, to my attention at the address listed below. If you have any questions or need additional information, I can be reached at 415-554-4806.

Very truly yours,


Douglas Legg
Deputy Assessor-Recorder
Office of the Assessor-Recorder
1 Dr. Carlton B. Goodlett Place, Room 190
San Francisco, CA 94102-4698

CC: Carmen Chu, Assessor-Recorder
Margaret Tseng, Recording Division Manager

Recording Request by and when
Recorded return to:

City and County of San Francisco
Office of the Assessor-Recorder
1 Dr. Carlton B. Goodlett Place
City Hall, Room 190
San Francisco, CA 94102



San Francisco Assessor-Recorder
Carmen Chu, Assessor-Recorder
DOC- 2016-K188248-00

Acct 23-San Francisco County Recorder
Friday, JAN 15, 2016 11:35:10
Ttl Pd \$0.00 Rcpt # 0005297346
ojl/JL/1-a

NOTICE OF DELINQUENT REAL PROPERTY TRANSFER TAXES

(Filed pursuant to San Francisco Business and Tax Regulations Code Section 1115)

**THIS IS TO NOTIFY YOU THAT TAX LIEN PROCEEDINGS WILL BE INITIATED IF PAYMENT OF
OUTSTANDING TAXES, PENALTIES, and INTEREST ARE NOT REMITTED WITHIN 30 DAYS OF THIS NOTICE**

Property Location: 562 Sutter Street
Property Name: Hotel Rex
Assessor's Parcel Number: 0284-010
Document Number: 2012-J542526 (attached)
Recording Date: 11/14/2012
Delinquency Date: 12/14/2012
Grantee: Diamondrock SF Sutter Street Owner, LLC

The Grantee named herein is liable to the City and County of San Francisco for the total unpaid amount as set forth herein:

Tax Paid at Recordation	\$471,050
Total Tax Due	\$722,500
Delinquent Amount	\$251,450
+ 25% Delinquency Penalty	\$62,863
+ 10% Delinquency Penalty	\$25,145
+ Interest	\$95,551
TOTAL Due if paid by 2/14/2016	\$435,009

The total amount due includes penalties and interest. Additional interest will continue to accrue at the rate of one (1.0) percent per month as prescribed by law.

Under San Francisco Business and Tax Regulations Code Section 1115.1 if the Grantee does not remit the total amount due within 30 days of the recordation date of this notice, this office will initiate proceedings at a noticed hearing before the San Francisco Board of Supervisors to impose a lien for the unpaid tax, together with penalties and interest, against the real property described in this delinquency notice.

AFTER RECORDING
RETURN TO:

First American Title Insurance Company
1825 Eye Street, NW, Suite 302
Washington, DC 20006
Attention: Joshua Slan, Esq.

San Francisco Assessor-Recorder
Phil Ting, Assessor-Recorder
DOC- 2012-J542526-00
Check Number 8725-1504
Wednesday, NOV 14, 2012 15:45:30
Ttl Pd 942.00 Rept # 0004551285
REEL K773 IMAGE 0800
PAR/KC/1-7

MAIL TAX STATEMENTS TO:

DiamondRock SF Sutter Street Owner, LLC
3 Bethesda Metro Center, Suite 1500
Bethesda, MD 20814

Space above this line for Recorder's Use

76

DOCUMENTARY TRANSFER TAX PER SEPARATE STATEMENT

562 Sutter St
0284-010

GRANT DEED

THIS GRANT DEED is made and entered as of November 9, 2012, by and between RISING REX, L.P., a California limited partnership whose address is c/o Skyline Pacific Properties, LLC, 558 Sacramento Street, Suite 400, San Francisco, CA 94111, and LV REX 7, LLC, a California limited liability company whose address is c/o Land Valuc Management, 5082 N. Palm Avenue, Suite B, Fresno, CA 93704, as their respective interests may appear (collectively, "Grantor"), and DIAMONDROCK SF SUTTER STREET OWNER, LLC, a Delaware limited liability company ("Grantee"), whose address is c/o DiamondRock Hospitality Company, 3 Bethesda Metro Center, Suite 1500, Bethesda, MD 20814.

WITNESS:

That for and in consideration of Ten Dollars (\$10.00), cash in hand paid and other good and valuable consideration, receipt of which is hereby acknowledged, Grantor does hereby grant unto Grantee, in fee simple, all that certain lot or parcel of land, situate and being in the State of California, and more particularly described on Exhibit A attached hereto.

TOGETHER WITH (i) buildings, improvements and other structures located on said property, (ii) all easements, licenses, rights-of-way, rights, development rights, ways, waters, privileges, appurtenances, advantages, tenements, hereditaments and all mineral, gas and oil rights thereto belonging or appertaining, (iii) all strips, gores and gaps adjoining said property, and (iv) all adjoining lots, lots, streets, roads, or highways, whatever, to said property.

NOTED: This deed was recorded in the Office of the Recorder of San Francisco County, California.

TO HAVE AND TO HOLD the said described land and premises unto and to the use of Grantee, its successors and assigns forever, with Grantor's covenant that it will execute such further assurances of the said land as may be requisite.

This Grant Deed may be executed in counterparts, and if so executed, each such counterpart is to be deemed an original for all purposes, and all such counterparts shall, collectively, constitute one Grant Deed.

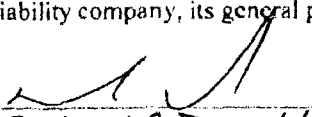
(SIGNATURE APPEARS ON NEXT PAGE)

IN WITNESS WHEREOF, Grantor, has, as of the day and year first above written, executed and delivered this Deed.

SELLER:

RISING REX, L.P., a California limited partnership

By: HOTEL REX SPE GP, LLC, a Delaware limited liability company, its general partner

By: 
Name: Richard C. Ronald
Title: Authorized Signatory

LV REX 7, LLC, a California limited liability company

Recording concurrently herewith

By: _____
Name: James Huelskamp
Title: Manager

IN WITNESS WHEREOF, Grantor, has, as of the day and year first above written, executed and delivered this Deed.

SELLER:

RISING REX, L.P., a California limited partnership

By: HOTEL REX SPE GP, LLC, a Delaware limited liability company, its general partner

By: Recording concurrently herewith
Name:
Title: Authorized Signatory

LV REX 7, LLC, a California limited liability company

By: 
Name: James Huelskamp
Title: Manager

State of California
County of SAN FRANCISCO

At

On 11.7.2012 before me, JT Benitz, a notary public, personally appeared RICHARD C RONALD, 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 is true and correct.

Witness my hand and official seal.

Signature _____ (Seal)



State of California
County of _____

On _____ before me, _____, a notary public, 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 is true and correct.

Witness my hand and official seal.

Signature _____

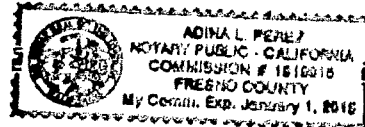
State of California
County of FRESNO

On November 6, 2012 before me, Adina L. Perez, a notary public, personally appeared James Huelskamp, 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 is true and correct.

Witness my hand and official seal.

Signature Adina L. Perez (Seal)



State of California
County of _____

On _____ before me, _____, a notary public, 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 is true and correct.

Witness my hand and official seal.

Signature _____

(Seal)

Exhibit A

to

Grant Deed

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

BEGINNING AT A POINT ON THE NORTHERLY LINE OF SUTTER STREET DISTANT THEREON 87 FEET 9 1/4 INCHES EASTERLY FROM THE EASTERLY LINE OF MASON STREET; THENCE EASTERLY ALONG SAID LINE OF SUTTER STREET 49 FEET 8 3/4 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 137 FEET 6 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 50 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 50 FEET; THENCE AT A RIGHT ANGLE EASTERLY 3 1/4 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 87 FEET 6 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF 50 VARA LOT NO. 358 IN BLOCK NO. 166.

Assessor's Lot 010, Block 0284

CARMEN CHU
ASSESSOR-RECORDER



SAN FRANCISCO
OFFICE OF THE ASSESSOR-RECORDER

**Report to the City and County of San Francisco Board of Supervisors
Pursuant to San Francisco Business and Tax Regulations Code Section 1115.1(a)
Parc 55 Hotel, San Francisco**

The San Francisco Assessor-Recorder has determined that insufficient transfer tax was paid on the Parc 55 sale (55 Cyril Magnin Street) recorded on February 19, 2015 as Document Number 2015-K021395.

A Notice of Delinquent Real Property Transfer Taxes was recorded on January 19, 2016 as Document # 2016-K188583 (attached); the delinquent taxes, penalties and interest total \$5,150,369 (as of February 19, 2016).

Pursuant to San Francisco Business and Tax Regulations Code section 1115.1, the Assessor-Recorder requests that the Board initiate proceedings to impose a lien for the unpaid tax, together with penalties and interest, against the real property described in the attached Notice of Delinquent Real Property Transfer Taxes, and summarized below.

Property Location:	55 Cyril Magnin Street
Property Name:	Parc 55 Hotel
Assessor's Parcel Number:	0330-026
Document Number:	2015-K021395
Recording Date:	2/19/2015
Delinquency Date:	3/21/2015
Grantee:	P55 Hotel Owner, LLC c/o Hilton Worldwide, Inc. 7930 Jones Branch Drive McLean, VA 22102
Grantor:	BRE Parc 55 Owner, LLC P.O. BOX 396 Boca Raton, FL 33429

CARMEN CHU
ASSESSOR-RECORDER



SAN FRANCISCO
OFFICE OF THE ASSESSOR-RECORDER

VIA EMAIL AND US MAIL

January 19, 2016

Mr. W. Steven Standefer
P55 Hotel Owner LLC
c/o Hilton Worldwide, Inc.
7930 Jones Branch Drive
McLean, VA 22102

RE: Notice of Delinquent Real Property Transfer Taxes – Parc 55 Hotel, San Francisco

Dear Mr. Standefer:

The San Francisco Assessor-Recorder has determined that insufficient transfer tax was paid on the Parc 55 sale recorded on February 19, 2015 as Document Number 2015-K021395; this tax is delinquent.

As indicated in the attached Notice of Delinquent Real Property Transfer Taxes, recorded on January 19, 2016, as Document # 2016-K188583, the delinquent taxes, penalties and interest total \$5,150,369. Under San Francisco Business and Tax Regulations Code section 1115.1, if the total amount due is not paid within 30 days of the recordation date of this notice, this office will initiate proceedings at a noticed public hearing before the San Francisco Board of Supervisors to impose a lien for the unpaid tax, together with penalties and interest, against the real property described in the delinquency notice.

Please remit \$5,150,369 by February 19, 2016, to my attention at the address listed below. If you have any questions or need additional information, I can be reached at 415-554-4806.

Very truly yours,

A handwritten signature in black ink that reads "Douglas Legg".

Douglas Legg
Deputy Assessor-Recorder
Office of the Assessor-Recorder
1 Dr. Carlton B. Goodlett Place, Room 190
San Francisco, CA 94102-4698

CC: Carmen Chu, Assessor-Recorder
Margaret Tseng, Recording Division Manager

Recording Request by and when
Recorded return to.

City and County of San Francisco
Office of the Assessor-Recorder
1 Dr. Carlton B. Goodlett Place
City Hall, Room 190
San Francisco, CA 94102



San Francisco Assessor-Recorder
Carmen Chu, Assessor-Recorder
DOC- 2016-K188583-00

Acct 23-San Francisco County Recorder
Tuesday, JAN 19, 2016 08:43:53
Ttl Pd \$0.00 Rcpt # 0005297791
oar/AB/1-6

NOTICE OF DELINQUENT REAL PROPERTY TRANSFER TAXES

(Filed pursuant to San Francisco Business and Tax Regulations Code Section 1115)

**THIS IS TO NOTIFY YOU THAT TAX LIEN PROCEEDINGS WILL BE INITIATED IF PAYMENT OF
OUTSTANDING TAXES, PENALTIES, and INTEREST ARE NOT REMITTED WITHIN 30 DAYS OF THIS NOTICE**

Property Location: 55 Cyril Magnin Street
Property Name: Parc 55 Hotel
Assessor's Parcel Number: 0330-026
Document Number: 2015-K021395 (attached)
Recording Date: 2/19/2015
Delinquency Date: 3/21/2015
Grantee: P55 Hotel Owner, LLC

The Grantee named herein is liable to the City and County of San Francisco for the total unpaid amount as set forth herein:

Tax Paid at Recordation	\$8,986,100
Total Tax Due	<u>\$12,513,750</u>
Delinquent Amount	<u>\$3,527,650</u>
+ 25% Delinquency Penalty	\$881,913
+ 10% Delinquency Penalty	\$352,765
+ Interest	<u>\$388,042</u>
TOTAL Due if paid by 2/19/2016	\$5,150,369

The total amount due includes penalties and interest. Additional interest will continue to accrue at the rate of one (1.0) percent per month as prescribed by law

Under San Francisco Business and Tax Regulations Code Section 1115.1, if the Grantee does not remit the total amount due within 30 days of the recordation date of this notice, this office will initiate proceedings at a noticed hearing before the San Francisco Board of Supervisors to impose a lien for the unpaid tax, together with penalties and interest, against the real property described in this delinquency notice

RECORDING REQUESTED BY
CHICAGO TITLE COMPANY

FWPN - TO 14001367

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Dentons US LLP
2398 East Camelback Road, Suite 850
Phoenix, AZ 85016-9007
Attention: Meghan Cocci

MAIL TAX BILLS TO:

Hilton Worldwide Inc.
c/o Property Tax Department
7930 Jones Branch Drive
McLean, VA 22102

Lot 026, Block 0330
[Space Above This Line For Recorder's Use]

55 Cyril Magnin St.

GRANT DEED

The amount of the documentary transfer tax due is \$ 8,986,000.00 and is based on full value of the real property being conveyed.

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, BRE PARC 55 OWNER LLC, a Delaware limited liability company ("**Grantor**"), does hereby GRANT to P55 HOTEL OWNER LLC, a Delaware limited liability company ("**Grantee**"), all of that certain real property in the County of San Francisco, State of California, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference and made a part hereof (the "**Land**"), together with all of Grantor's right, title and interest in any and all structures and improvements located thereon, and all of Grantor's right, title and interest in and to the rights, benefits, privileges, easements, tenements, hereditaments and appurtenances to the extent belonging or pertaining to the Land or such structures and improvements (collectively, the "**Property**").

THIS CONVEYANCE IS MADE AND ACCEPTED SUBJECT TO (i) real estate taxes and assessments for the year 2015 not yet delinquent as of the date hereof and all subsequent years, (ii) applicable zoning ordinance and governmental regulations, (iii) conditions, restrictions, covenants, limitations, and easements of record, (iv) unrecorded leases, and (v) all matters that would be reflected on an accurate survey or shown by physical inspection of the Property, as of the date hereof.

Mail tax statements as directed in:

[No further text on this page. The next page is the signature page.]

EXHIBIT A

LEGAL

The land is situated in the City of San Francisco, County of San Francisco, State of California, and is described as follows:

PARCEL ONE:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF EDDY STREET, DISTANT THEREON 43 FEET 9 INCHES EASTERLY FROM THE EASTERLY LINE OF MASON STREET, RUNNING THENCE EASTERLY ALONG SAID LINE OF EDDY STREET 25 FEET, THENCE AT A RIGHT ANGLE NORTHERLY 85 FEET, THENCE AT A RIGHT ANGLE WESTERLY 25 FEET, THENCE AT A RIGHT ANGLE SOUTHERLY 85 FEET TO THE POINT OF BEGINNING.

BEING A PART OF 50 VARA BLOCK NO. 171.

PARCEL TWO:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF ELLIS STREET WITH THE EASTERLY LINE OF MASON STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF ELLIS STREET 35 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 100 FEET; THENCE AT A RIGHT ANGLE 35 FEET TO THE EASTERLY LINE OF MASON STREET; THENCE AT A RIGHT ANGLE NORTHERLY AND ALONG SAID LINE OF MASON STREET 100 FEET TO THE POINT OF BEGINNING.

BEING A PART OF 50 VARA BLOCK NO. 171.

PARCEL THREE:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF ELLIS STREET, DISTANT THEREON 35 FEET EASTERLY FROM THE EASTERLY LINE OF MASON STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF ELLIS STREET 52 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 120 FEET (DEED), 100 FEET MEASURED; THENCE AT A RIGHT ANGLE WESTERLY 52 FEET 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 100 FEET TO THE POINT OF BEGINNING.

BEING A PART OF 50 VARA BLOCK NO. 171.

PARCEL FOUR:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF ELLIS STREET, DISTANT THEREON 87 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MASON STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF ELLIS STREET 50 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 100 FEET; THENCE AT

A RIGHT ANGLE WESTERLY 50 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 100 FEET TO THE POINT OF BEGINNING.

BEING A PART OF 50 VARA BLOCK NO. 171.

PARCEL FIVE:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF ELLIS STREET, DISTANT THEREON 137 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MASON STREET; RUNNING THENCE EASTERLY AND ALONG SAID LINE OF ELLIS STREET 36 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 89 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 36 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE 89 FEET AND 6 INCHES TO THE POINT OF BEGINNING.

BEING PART OF 50 VARA BLOCK NO. 171.

PARCEL SIX:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF EDDY STREET, DISTANT THEREON 68 FEET, 9 INCHES EASTERLY FROM THE EASTERLY LINE OF MASON STREET, RUNNING THENCE EASTERLY ALONG SAID LINE OF EDDY STREET 105 FEET 3 INCHES TO THE NORTHWESTERLY CORNER OF EDDY STREET AND FIFTH STREET, NORTH RUNNING THENCE NORTHERLY ALONG FIFTH STREET NORTH 185 FEET 6 INCHES (DEED), 185.625' MEASURED, TO A POINT 89 FEET 6 INCHES SOUTHERLY FROM THE SOUTHWESTERLY CORNER OF ELLIS STREET AND FIFTH STREET NORTH; THENCE AT A RIGHT ANGLE WESTERLY 36 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 10 FEET, 6 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 68 FEET 9 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 175 FEET (DEED), 175.125' MEASURED, TO THE TRUE POINT OF BEGINNING.

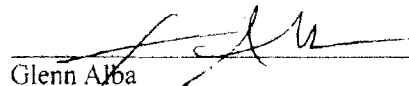
PARCEL SEVEN:

BEGINNING AT A POINT FORMED BY THE INTERSECTION OF THE NORTHERLY LINE OF EDDY STREET AND THE EASTERLY LINE OF MASON STREET; RUNNING THENCE EASTERLY ALONG SAID NORTHERLY LINE OF EDDY STREET 43 FEET AND 9 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 85 FEET; THENCE AT A RIGHT ANGLE WESTERLY 43 FEET AND 9 INCHES TO THE EASTERLY LINE OF MASON STREET; THENCE SOUTHERLY ALONG SAID EASTERLY LINE OF MASON STREET 85 FEET TO ITS INTERSECTION WITH THE NORTHERLY LINE OF EDDY STREET AND THE POINT OF BEGINNING.

Assessor's Lot 026, Block 0530

In Witness Whereof, Grantor has hereunto set Grantor's hand and seal the day and year first above written.

BRE PARC 55 OWNER LLC,
a Delaware limited liability company

By: 
Name: Glenn Alba
Title: Managing Director and Vice President

State of NEW YORK)
County of NEW YORK) ss

On the 10th day of February in the year 2015 before me, the undersigned, personally appeared Glenn Alba, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to this instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Robin Assa
Notary Public

ROBIN ASSA
NOTARY PUBLIC, State of New York
No. 01AS6166670
Qualified in Kings County
Commission Expires May 21, 2016