

## ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT is made and entered into as of this 14 day of March, 2016, by and between W.Y.L. Five Star Service Industries, Inc., a California Corporation ("Assignor"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Assignee").

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, effective as of the Effective Date (as defined below), Assignor hereby assigns and transfers to Assignee all of Assignor's right, title, claim and interest in and under those certain leases described on Schedule I attached hereto (collectively, the "Leases"), executed with respect to that certain real property commonly known as 1975 Galvez Avenue, San Francisco, California, as more fully described in Schedule 2 attached hereto (the "Property").

ASSIGNOR AND ASSIGNEE FURTHER HEREBY AGREE AND COVENANT AS FOLLOWS:

1. Assignor represents and warrants that as of the date of this Assignment and the Effective Date the attached Schedule 1 includes all of the Leases and occupancy agreements affecting any of the Property. As of the date hereof and the Effective Date, there are no assignments of or agreements to assign the Leases to any other party.
2. Assignor hereby agrees to indemnify Assignee against and hold Assignee harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees), originating prior to the Effective Date (as defined below) and arising out of the landlord's obligations under the Leases.
3. Effective as of the Effective Date (as defined below), Assignee hereby assumes all of the landlord's obligations under the Leases and agrees to indemnify Assignor against and hold Assignor harmless from any and all costs, liabilities, losses, damages or expenses (including, without limitation, reasonable attorneys' fees) arising out of Assignee's failure to perform the landlord's obligations under the Leases on or subsequent to the Effective Date.
4. Any rental and other payments under the Leases shall be prorated between the parties as provided in Article 7 of the Agreement of Purchase and Sale for Real Estate between Assignor, as Seller, and Assignee, as Buyer, dated as of February 8, 2016 (the "Purchase Agreement").
5. In the event of any litigation between Assignor and Assignee arising out of this Assignment, the losing party shall pay the prevailing party's costs and expenses of such litigation, including, without limitation, attorneys' fees.
6. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.
7. This Assignment shall be governed by and construed in accordance with the laws of the State of California.
8. For purposes of this Assignment, the "Effective Date" shall be the date of the Closing (as defined in the Purchase Agreement).

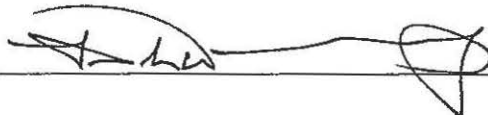
9. This Assignment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

*[SIGNATURES ON FOLLOWING PAGE]*

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

ASSIGNOR:

W.Y.L. Five Star Service Industries, Inc.,  
a California Corporation

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

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

ASSIGNEE:

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

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

JOHN UPDIKE  
Director of Property

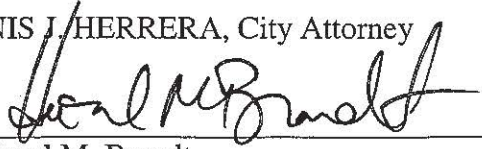


APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

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

Hazel M. Brandt  
Deputy City Attorney



## **SCHEDULE 1**

### **SCHEDULE OF LEASES**

1). Lease agreement dated September 25th 2012, by and between W.Y.L. Five Star Service Industries I, Inc., a California corporation, as landlord, and Blueline Rentals LLC, a Delaware limited liability company, as successor in interest to Volvo Construction Equipment Rents, Inc., a Delaware corporation, as tenant.

## SCHEDULE 2

### REAL PROPERTY DESCRIPTION

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

Beginning at the point of intersection of the centerlines of Galvez Avenue and Selby Street; running thence Southerly along the centerline of Selby Street 140 feet; thence at a right angle Easterly 418 feet, more or less, to the centerline of the easement as set forth in the Deed from United States of America to Southern Pacific Company, dated August 1, 1962, recorded October 3, 1962 in Book A-484 of Official Records, at Page 821 in the Office of the Recorder of the City and County of San Francisco, State of California; thence Northerly along said centerline 8 feet, more or less, to the Westerly of Parcel B, Block 135, as said Parcel B and Block are shown on the entitled, Recorded of Survey Map of Marine Corps supply forwarding annex (Isalis Creek), San Francisco, California, N-Calif 689" filed on April 25, 1961, in Book T of Maps at Pages 6 and 7, in the Office of the Recorder of the City and County of San Francisco, State of California, thence Northerly along said Westerly line of said Parcel B and its Northerly production 152 feet, more or less, to the said centerline of Galvez Avenue; thence Westerly along said centerline of Galvez Avenue 338 feet, more or less, to the point of beginning.

Block 5250 Lot 016

(End of Legal Description)