

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**

**RESOLUTION NO. 12-2016
Adopted December 12, 2016**

**APPROVING, UNDER SECTIONS 34177.5(a)(1) AND (f), 34177.7(a)(1)(A) AND (f) AND
34180(b) OF THE CALIFORNIA HEALTH AND SAFETY CODE, THE ISSUANCE OF
NEW MONEY AND REFUNDING TAX ALLOCATION BONDS, IN AN AGGREGATE
PRINCIPAL AMOUNT NOT TO EXCEED \$55,000,000, BY THE SUCCESSOR
AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF
SAN FRANCISCO, AND RELATED ACTIONS; MISSION BAY NORTH AND MISSION
BAY SOUTH AFFORDABLE HOUSING OBLIGATIONS**

WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the “Former Redevelopment Agency”) and FOCIL-MB, LLC (the “Master Developer”), as assignee of Catellus Development Corporation, are parties to a Mission Bay North Owner Participation Agreement executed November 16, 1998, as amended by the First Amendment, dated February 17, 2004, by the Second Amendment, dated March 16, 2004, by the Third Amendment, dated January 18, 2005, by the Fourth Amendment, dated March 15, 2005, and by the Fifth Amendment, dated January 21, 2014 (as further amended, the “Mission Bay North OPA”), which includes as part thereof Attachment E thereto, entitled “Mission Bay North Financing Plan”, and a Mission Bay South Owner Participation Agreement executed November 16, 1998, as amended by the First Amendment, dated February 17, 2004, by the Second Amendment, dated November 1, 2005, by the Third Amendment, dated May 21, 2013, by the Fourth Amendment dated June 4, 2013, and by the Fifth Amendment, dated April 29, 2014 (as further amended, the “Mission Bay South OPA”), which includes as part thereof Attachment E thereto, entitled “Mission Bay South Financing Plan”; and,

WHEREAS, Prior to the dissolution of the Redevelopment Agency of the City and County of San Francisco (the “Former Redevelopment Agency”), the Former Redevelopment Agency entered into the following loan agreements (collectively, the “Mission Bay North Existing Loan Agreements”) to finance and refinance affordable housing under the Mission Bay North OPA:

(i) Loan Agreement dated as of August 1, 2006, among the Former Redevelopment Agency, The Bank of New York Trust Company, N.A., as succeeded by The Bank of New York Mellon Trust Company, N.A., as trustee, and the City and County of San Francisco Redevelopment Financing Authority (the “Authority”), in the initial aggregate principal amount of \$3,900,000;

(ii) Loan Agreement dated as of December 1, 2009, among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$975,000; and,

(iii) Loan Agreement dated as of April 1, 2011 among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$1,660,000; and,

WHEREAS, Prior to the dissolution of the Former Redevelopment Agency, the Former Redevelopment Agency entered into the following loan agreements (collectively, the "Mission Bay South Existing Loan Agreements") to finance and refinance affordable housing under the Mission Bay South OPA:

(i) Loan Agreement dated as of December 1, 2009, among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$5,230,000; and,

(ii) Loan Agreement dated as of April 1, 2011 among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$7,795,000; and,

WHEREAS, In connection with the execution and delivery of the Mission Bay North Existing Loan Agreements and the Mission Bay South Existing Loan Agreement (collectively, the "Existing Loan Agreement"), the Authority issued the following bonds (collectively, the "Prior Bonds"):

(i) \$50,731,330.80 initial aggregate principal amount of 2006 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects);

(ii) \$72,565,000 initial aggregate principal amount of 2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects); and,

(iii) \$9,455,000 initial aggregate principal amount of 2011 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects); and,

WHEREAS, Section 34177.5(a)(1) of the California Health and Safety Code (the "Code") provides that a successor agency may issue bonds or incur other indebtedness to refund the bonds or other indebtedness of its former redevelopment agency to provide savings to the successor agency, provided that the conditions set forth in that section (the "Savings Parameters") are met; and,

WHEREAS, Section 34177.5(b) of the Code authorizes a successor agency to issue such refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law"); and,

WHEREAS, Section 34177.7(a)(1)(A) of the Code provides that a successor agency may, subject to the approval of the oversight board and the California Department of Finance, issue bonds or incur other indebtedness to finance the affordable housing required by the Mission Bay North OPA and the Mission Bay South OPA (collectively referred to as the "Mission Bay Affordable Housing Obligations"); and,

- WHEREAS, Section 34177.5(f) of the Code provides that the actions authorized under the foregoing Sections of the Code are subject to the approval of the applicable oversight board; and,
- WHEREAS, To provide funds to finance a portion of the (collectively referred to as the “Mission Bay Affordable Housing Obligations”) and to take advantage of current bond market conditions and to provide debt service savings, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) has, subject to the approval of this Oversight Board and the Department of Finance, determined to issue bonds to provide funds for the Mission Bay Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code and to refinance the Existing Loan Agreements and refund certain of the Prior Bonds under the authority of Section 34177.5(a)(1) of the Code and the Refunding Law; and,
- WHEREAS, In order to issue bonds to provide funds for the Mission Bay Affordable Housing Obligations and to refinance the Existing Loan Agreements and refund the Prior Bonds, on December 6, 2016, the Commission on Community Investment and Infrastructure (also known as the “Successor Agency Commission”) adopted Resolution No. 54-2016 (the “Successor Agency Resolution”), a copy of which is attached to this Resolution as Exhibit A , which authorizes the issuance of taxable tax allocation bonds (the “2017 Series C Bonds”) captioned “2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects),” and approves related documents and actions; and,
- WHEREAS, The 2017 Series C Bonds will be payable from “Tax Revenues” (as defined in the Indenture) on a basis subordinate to the Successor Agency’s repayment obligations under the Existing Loan Agreements, if any, that will remain outstanding after the issuance of the 2017 Series C Bonds; and,
- WHEREAS, To determine that the issuance of the 2017 Series C Bonds relating to the refinancing of the Existing Loan Agreements and the resulting refunding of the Prior Bonds comply with the Savings Parameters, the Successor Agency has caused its financial advisors, Public Financial Management, Inc. and Kitahata & Company (collectively, the “Financial Advisor”), to prepare an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of a portion of the proceeds of the 2017 Series C Bonds to prepay the Existing Loan Agreements and, thereby, to refund all or a portion of the Prior Bonds (the “Debt Service Savings Analysis”); and,
- WHEREAS, The Successor Agency has filed the Debt Service Savings Analysis (attached hereto as Exhibit B), together with a certified copy of the Successor Agency Resolution, by attaching them as Exhibit A and Exhibit B to this resolution respectively, , as provided in Section 34180(j) of the Code, with the California Department of Finance, and has also submitted the Successor Agency Resolution to the Administrative Officer and the Auditor-Controller of the City and County of San Francisco and the California Department of Finance, as required by Section 34180(j) of the Code; and,

WHEREAS, Under Sections 34177.5(f), 34177.7(f) and 34180(b) of the Code and the provisions of Ordinance No. 215-12 adopted by the Board of Supervisors of the City and County of San Francisco on October 2, 2012, the Successor Agency's issuance of the 2017 Series C Bonds is subject to the approval of this Oversight Board; and,

WHEREAS, The approval of the issuance of the 2017 Series C Bonds as authorized by the Successor Agency is an Oversight Board fiscal oversight activity that does not constitute a "Project" as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(4), will not independently result in a physical change in the environment, and is not subject to environmental review under CEQA; and,

WHEREAS, This Oversight Board now desires to approve the issuance of the 2017 Series C Bonds, the financing of the Mission Bay Affordable Housing Obligations as described herein and the refunding of the Prior Bonds and the refinancing of the Existing Loan Agreements by the Successor Agency, and the other actions of the Successor Agency contemplated by the Successor Agency Resolution; now therefore, be it

RESOLVED, This Oversight Board, as authorized by Sections 34177.5(f) and 34177.7(f) of the Code, directs the Successor Agency to undertake the refunding proceedings and, as authorized by Sections 34177.5(f), 34177.7(f) and 34180(b) of the Code, approves the issuance of the 2017 Series C Bonds pursuant to Sections 34177.5(a)(1), 34177.5(f), 34177.7(a)(1)(A) and 34177.7(f) of the Code, the Successor Agency Resolution and the Indenture.

RESOLVED, This Oversight Board makes the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the 2017 Series C Bonds:

- (a) The Successor Agency is authorized, as provided in Sections 34177.5(f) and 34177.7(f) of the Code, to recover its costs related to the issuance of the 2017 Series C Bonds from the proceeds of the 2017 Series C Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the 2017 Series C Bonds.
- (b) The application of proceeds of the 2017 Series C Bonds by the Successor Agency to both the financing of the Mission Bay Affordable Housing Obligations and to the refunding and defeasance of the Prior Bonds and the refinancing of the Existing Loan Agreements, as well as the payment by the Successor Agency of costs of issuance of the 2017 Series C Bonds, shall be implemented by the Successor Agency promptly upon sale and delivery of the 2017 Series C Bonds, notwithstanding Section 34177.3 of the Code or any other provision of law to the contrary, without the further approval of the Oversight Board, the California Department of Finance, or any other person or entity other than the Successor Agency.

- (c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34183(a)(3) of the Code without any deductions with respect to continuing post-issuance compliance and administration costs related to the 2017 Series C Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183 of the Code. In addition and as provided by Sections 34177.5(f) and 34177.7(f) of the Code, if the Successor Agency is unable to complete the issuance of the 2017 Series C Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings of the 2017 Series C Bonds from such property tax revenues pursuant to Section 34183 of the Code without reduction in its Administrative Cost Allowance.

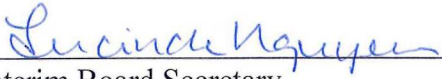
RESOLVED, That the Oversight Board approves the Successor Agency's execution and delivery of the Indenture of Trust, attached hereto as Exhibit C and incorporated herein, pursuant to which the 2017 Series C Bonds will be issued; and, be it, further

RESOLVED, That the Oversight Board approves the Successor Agency's execution and delivery of the Redemption Agreements, attached hereto as Exhibit D-1, Exhibit D-2, and Exhibit D-3, pursuant to which the Existing Loan Agreements and the Prior Bonds will be refunded, discharged and defeased; and, be it, further

RESOLVED, That the Oversight Board approves the Successor Agency's execution and delivery of the Bond Purchase Contract, attached hereto as Exhibit E; pursuant to which the 2017 Series C Bonds will be sold; and, be it, further

RESOLVED, That this Oversight Board authorizes all actions heretofore taken by the officers and agents of the Successor Agency with respect to the sale and issuance of the 2017 Series C Bonds herein authorized and as described in the Successor Agency Resolution, the expenditure of the proceeds of the 2017 Series C Bonds is hereby approved, confirmed and ratified, and the proper officers of the Successor Agency are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the 2017 Series C Bonds in accordance with this Resolution and the Successor Agency Resolution and any certificate, agreement and other document described in the documents herein approved or approved in the Successor Agency Resolution.

I hereby certify that the foregoing resolution was adopted by the Oversight Board at its meeting of December 12, 2016.



Interim Board Secretary

Exhibit A: Successor Agency Resolution 54-2016

Exhibit B: Debt Service Savings Analysis

Exhibit C: Indenture of Trust 2017C

Exhibit D-1: Redemption Agreement 2006A

Exhibit D-2: Redemption Agreement 2009E

Exhibit D-3: Redemption Agreement 2011E

Exhibit E: Bond Purchase Contract 2017C

Exhibit A

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 54-2016

Adopted December 6, 2016

AUTHORIZING THE ISSUANCE OF NEW MONEY AND REFUNDING TAX ALLOCATION BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$55,000,000, APPROVING AND DIRECTING THE EXECUTION OF AN INDENTURE OF TRUST, A BOND PURCHASE CONTRACT AND REDEMPTION AGREEMENTS, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS; MISSION BAY NORTH AND MISSION BAY SOUTH AFFORDABLE HOUSING OBLIGATIONS

WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the “Former Redevelopment Agency”) and FOCIL-MB, LLC (the “Master Developer”), as assignee of Catellus Development Corporation, are parties to a Mission Bay North Owner Participation Agreement executed November 16, 1998, as amended by the First Amendment, dated February 17, 2004, by the Second Amendment, dated March 16, 2004, by the Third Amendment, dated January 18, 2005, by the Fourth Amendment, dated March 15, 2005, and by the Fifth Amendment, dated January 21, 2014 (as further amended, the “Mission Bay North OPA”), which includes as part thereof Attachment E thereto, entitled “Mission Bay North Financing Plan”, and a Mission Bay South Owner Participation Agreement executed November 16, 1998, as amended by the First Amendment, dated February 17, 2004, by the Second Amendment, dated November 1, 2005, by the Third Amendment, dated May 21, 2013, by the Fourth Amendment dated June 4, 2013, and by the Fifth Amendment, dated April 29, 2014 (as further amended, the “Mission Bay South OPA”), which includes as part thereof Attachment E thereto, entitled “Mission Bay South Financing Plan”; and,

WHEREAS, Under California Assembly Bill No. 1X26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) (“AB 26”) and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, No. 5194861, all redevelopment agencies in the State of California (the “State”), including the Redevelopment Agency of the City and County of San Francisco (the “Former Redevelopment Agency”), were dissolved by operation of law as of February 1, 2012, and their non-affordable housing assets and obligations were transferred to certain designated successor agencies; and,

WHEREAS, In June of 2012, the California legislature adopted Assembly Bill 1484 (“AB 1484”) amending certain provisions of AB 26 and clarifying that successor agencies are separate public entities (Section 34173 (g) of the California Health and Safety Code (the “Code”)), and have the authority, with approval of the oversight board and the California Department of Finance, to issue bonds for certain refunding purposes (Section 34177.5(a)(1) of the Code), and the Governor of the

State signed the bill on June 27, 2012 and it became effective on June 27, 2012; and,

WHEREAS, Subsequent to the adoption of AB 1484, on October 2, 2012 the Board of Supervisors of the City adopted Ordinance No. 215-12 (the “Implementing Ordinance”), which was signed by the Mayor on October 4, 2012, and which, among other matters: (a) acknowledged and confirmed that, as of the effective date of AB 1484, the Successor Agency (as defined herein) is a separate legal entity from the City, (b) acknowledged and confirmed that the Successor Agency holds, subject to the applicable rights and restrictions set forth in AB 26 as amended by AB 1484, and as it may be further amended from time to time (collectively referred to in the Implementing Ordinance as the “Redevelopment Dissolution Law”), title to all assets, and all rights, obligations and liabilities of the Former Redevelopment Agency, (c) declared that the name of the Successor Agency is the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco,” (d) established the Successor Agency Commission (the “Successor Agency Commission”) and delegated to the Successor Agency Commission the authority (excluding authority as to the “Housing Assets,” as defined in the Implementing Ordinance, but not excluding authority as to the “Retained Housing Obligations”) to act in place of the Former Redevelopment Agency Commission to, among other matters: (i) implement, modify, enforce and complete the Former Redevelopment Agency’s enforceable obligations, except with respect to certain enforceable obligations for specified affordable housing purposes, (ii) approve all contracts and actions related to the assets transferred to or returned by the Successor Agency, consistent with applicable enforceable obligations, and (iii) take any action that the Redevelopment Dissolution Law requires or authorizes on behalf of the Successor Agency and any other action that the Successor Agency Commission deems appropriate consistent with the Redevelopment Dissolution Law to comply with such obligations, including, without limitation, authorizing additional obligations in furtherance of enforceable obligations, and approving the issuance of bonds to carry out the enforceable obligations, subject to any approval of the oversight board of the Successor Agency established pursuant to the provisions of the Redevelopment Dissolution Law (the “Oversight Board”), (e) authorized the Mayor to appoint the five members of the Successor Agency Commission, and (f) provided for an Executive Director of, and legal counsel to, the Successor Agency; and,

WHEREAS, The Successor Agency is also known as the Office of Community Investment and Infrastructure (“OCII”) and its commission is known as the Commission on Community Investment and Infrastructure; and,

WHEREAS, In September of 2015, the California legislature adopted Senate Bill No. 107 (Stats. 2015, ch. 325, § 9, *codified at* Cal. Health & Safety Code § 34177.7) (“SB 107”) further amending the Redevelopment Dissolution Law and providing that the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) has the authority, with approval of its oversight board and the California Department of Finance, to issue bonds for certain purposes, including the funding of affordable housing required by the Mission Bay North OPA and the Mission Bay South OPA (Section 34177.7(a)(1)(A) of the

Code) (collectively referred to as the “Mission Bay Affordable Housing Obligations”), and the Governor of the State signed the bill on September 22, 2015 and it became effective immediately; and,

WHEREAS, Prior to the dissolution of the Former Redevelopment Agency, the Former Redevelopment Agency entered into the following loan agreements (collectively, the “Mission Bay North Existing Loan Agreements”) to finance and refinance affordable housing under the Mission Bay North OPA:

(i) Loan Agreement dated as of August 1, 2006, among the Former Redevelopment Agency, The Bank of New York Trust Company, N.A., as succeeded by The Bank of New York Mellon Trust Company, N.A., as trustee, and the City and County of San Francisco Redevelopment Financing Authority (the “Authority”), in the initial aggregate principal amount of \$3,900,000; and

(ii) Loan Agreement dated as of December 1, 2009, among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$975,000; and

(iii) Loan Agreement dated as of April 1, 2011 among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$1,660,000; and,

WHEREAS, Prior to the dissolution of the Former Redevelopment Agency, the Former Redevelopment Agency entered into the following loan agreements (collectively, the “Mission Bay South Existing Loan Agreements”) to finance and refinance affordable housing under the Mission Bay South OPA:

(i) Loan Agreement dated as of December 1, 2009, among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$5,230,000; and

(ii) Loan Agreement dated as of April 1, 2011 among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$7,795,000; and,

WHEREAS, In connection with the execution and delivery of the Mission Bay North Existing Loan Agreements and the Mission Bay South Existing Loan Agreements (collectively, the “Existing Loan Agreements”), the Authority issued the following bonds (collectively, the “Prior Bonds”):

(i) \$50,731,330.80 initial aggregate principal amount of 2006 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects); and

(ii) \$72,565,000 initial aggregate principal amount of 2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects); and

(iii) \$9,455,000 initial aggregate principal amount of 2011 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects); and,

- WHEREAS, Section 34177.5(a)(1) of the Code provides that a successor agency may, subject to the approval of the oversight board and the California Department of Finance, issue bonds or incur other indebtedness to refund the bonds or other indebtedness of its former redevelopment agency to provide savings to the successor agency, provided that the conditions set forth in that section (the “Savings Parameters”) are met; and,
- WHEREAS, Section 34177.5(b) of the Code authorizes a successor agency to issue such refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Refunding Law”); and,
- WHEREAS, Section 34177.7(a)(1)(A) of the Code provides that a successor agency may, subject to the approval of the oversight board and the California Department of Finance, issue bonds or incur other indebtedness to finance the Mission Bay Affordable Housing Obligations; and,
- WHEREAS, In order to refinance the Existing Loan Agreements and the Prior Bonds under the authority of Section 34177.5(a)(1) of the Code and the Refunding Law, and to finance the Mission Bay Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency has determined, subject to the approval of the Oversight Board and the California Department of Finance, to issue its bonds (the “2017 Series C Bonds”) captioned “2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects)”); and,
- WHEREAS, The 2017 Series C Bonds will be payable from “Tax Revenues” (as defined in the attached Indenture) on a basis subordinate to the Successor Agency’s repayment obligations under the Existing Loan Agreements, if any, that will remain outstanding after the issuance of the 2017 Series C Bonds; and,
- WHEREAS, To determine that the issuance of the 2017 Series C Bonds relating to the refinancing of the Existing Loan Agreements and the resulting refunding of the Prior Bonds comply with the Savings Parameters, the Successor Agency has caused its financial advisors, Public Financial Management, Inc. and Kitahata & Company (collectively, the “Financial Advisor”), to prepare the attached analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of a portion of the proceeds of the 2017 Series C Bonds to prepay all or a portion of the Existing Loan Agreements and, thereby, to refund all or a portion of the Prior Bonds (the “Debt Service Savings Analysis”); and,
- WHEREAS, The sale of the 2017 Series C Bonds will comply with the provisions of the Successor Agency’s debt policy (the “Debt Policy”), adopted by Resolution 72-2014 of the Successor Agency Commission on August 19, 2014, unless such compliance is waived in accordance with the Debt Policy; and,
- WHEREAS, The Financial Advisor has prepared an analysis which is reflected in the staff report submitted in connection with this Resolution, which addresses matters described in Sections 34177.5(h) and 34177.7(h) of the Code with respect to the 2017 Series C Bonds; and,

WHEREAS, The Successor Agency has determined, subject to the approval of the Oversight Board and the California Department of Finance, to sell the 2017 Series C Bonds to Piper Jaffray & Co. and Stinson Securities, LLC, (collectively, the "Underwriters") pursuant to a Bond Purchase Contract (the "Purchase Contract") among the Successor Agency, the City and County of San Francisco Redevelopment Financing Authority (the "Authority") and the Underwriters; and,

WHEREAS, The following documents and instruments are attached: an Indenture of Trust (the "Indenture") between the Successor Agency and U.S. Bank National Association, as trustee (the "Trustee"), providing for the issuance of the 2017 Series C Bonds; a Redemption Agreement for each of the Prior Bonds and the related Existing Loan Agreements (each a "Redemption Agreement") providing for the refinancing of the Existing Loan Agreements, and the refunding and defeasance of the Prior Bonds; and the Purchase Contract; and,

WHEREAS, The Successor Agency is now requesting that the Oversight Board direct the Successor Agency to undertake the proceedings necessary to issue the 2017 Series C Bonds and to approve the issuance of the 2017 Series C Bonds pursuant to this Resolution and the Indenture; and,

WHEREAS, The Successor Agency further requests that the Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the 2017 Series C Bonds; and,

WHEREAS, Following approval by the Oversight Board of the issuance of the 2017 Series C Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance, the Successor Agency will, with the assistance of the Financial Advisor, bond counsel to the Successor Agency ("Bond Counsel"), disclosure counsel to the Successor Agency ("Disclosure Counsel"), and the fiscal consultant to the Successor Agency (the "Fiscal Consultant"), cause to be prepared a form of Official Statement describing the 2017 Series C Bonds and containing material information relating to the Successor Agency and the 2017 Series C Bonds, the preliminary form of which will be submitted to the Successor Agency's Commission (but not the Oversight Board) for approval for distribution by the Underwriters to persons and institutions interested in purchasing the 2017 Series C Bonds; and,

WHEREAS, The sale and issuance of the 2017 Series C Bonds, and the approval of related documents and actions, are Successor Agency fiscal activities that do not constitute a "Project" as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(4), will not independently result in a physical change in the environment, and are not subject to environmental review under CEQA; now therefore, be it

RESOLVED, The Successor Agency Commission finds that:

The Successor Agency has full authority (i) under Section 34177.5(a)(1) of the Code to issue the 2017 Series C Bonds to refinance the Existing Loan Agreements

and the Prior Bonds and (ii) under 34177.7(a)(1)(A) of the Code to issue the 2017 Series C Bonds to finance the Mission Bay Affordable Housing Obligations, and upon the Oversight Board's approval and the California Department of Finance's non-objection to or approval of the Oversight Board's Resolution, all acts and proceedings required by law necessary to make the 2017 Series C Bonds, when executed by the Successor Agency, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Successor Agency, and to constitute the Indenture a valid and binding agreement for the uses and purposes therein set forth, in accordance with its terms, will have been done or taken and the execution and delivery of the Indenture will have been in all respects duly authorized; and, be it further

RESOLVED, The Successor Agency Commission has determined that there are significant potential savings available to the Successor Agency and to applicable taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the refunding portion of the 2017 Series C Bonds to provide funds to refund, discharge and defease the Existing Loan Agreements and the Prior Bonds, all as evidenced by the Debt Service Savings Analysis on file with the Successor Agency, which is hereby approved; and, be it further

RESOLVED, Pursuant to the Act, the Refunding Law, this Resolution, the Indenture, Sections 34177.5(a)(1), 34177.5(b), 34177.7(a)(1)(A) and 34177.7(b) of the Code, the 2017 Series C Bonds are hereby authorized to be issued, subject to the approval of the Oversight Board and the California Department of Finance, provided that the aggregate initial amount of the 2017 Series C Bonds shall not exceed \$55,000,000 and that the 2017 Series C Bonds issued to refinance the Existing Loan Agreements and the resulting refunding of the Prior Bonds shall be in compliance with the Savings Parameters at the time of their issuance and delivery. The 2017 Series C Bonds shall be executed in the form set forth in and otherwise as provided in the Indenture. Notwithstanding the foregoing, the Successor Agency may issue more than one series of bonds at different times if the Authorized Officers (as defined below) determine it is in the best interests of the Successor Agency to do so, provided that the maximum combined principal amount of all such bonds shall not exceed \$55,000,000; and, be it further

RESOLVED, It is the intent of the Successor Agency that interest on the 2017 Series C Bonds be subject to all applicable federal income taxation; and, be it further

RESOLVED, It is the intent of the Successor Agency to sell and deliver the refunding component of the 2017 Series C Bonds in whole, provided that there is compliance with the Savings Parameters. However, the Successor Agency will initially authorize the sale and delivery of the 2017 Series C Bonds in whole or, if such Savings Parameters cannot be met with respect to the whole of the 2017 Series C Bonds issued to refinance the Existing Loan Agreements and the resulting refunding of the Prior Bonds, then in part; provided that the 2017 Series C Bonds issued to refinance the Existing Loan Agreements and the resulting refunding of the Prior Bonds so sold and delivered in part are in compliance with the Savings Parameters. The sale and delivery of the 2017 Series C Bonds in part will in each instance

provide sufficient funds only to finance the Mission Bay Affordable Housing Obligations and for the refunding of that portion of the Existing Loan Agreements that meet the Savings Parameters. If the 2017 Series C Bonds to be issued to refinance the Existing Loan Agreements are initially sold in part, the Successor Agency intends to sell and deliver additional parts of the 2017 Series C Bonds without the further approval of the Oversight Board provided that in each such instance the 2017 Series C Bonds so sold and delivered in part are in compliance with the Savings Parameters; and, be it further

RESOLVED, The attached Indenture is hereby approved in form. The Executive Director and the Deputy Director, Finance and Administration (each being hereinafter referred to as an "Authorized Officer"), each acting alone, are hereby authorized and directed, subject to the Oversight Board's approval and the California Department of Finance's non-objection to or approval of the Oversight Board's Resolution, to execute and deliver the Indenture in said form, with such additions thereto or changes therein as are approved by an Authorized Officer upon consultation with the Successor Agency's General Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Indenture by an Authorized Officer. The date, manner of payment, interest rate or rates, interest payment dates, denominations, form, registration, privileges, manner of execution, place of payment, terms of redemption and other terms of the 2017 Series C Bonds shall be as provided in the Indenture as finally executed. The selection of U.S. Bank National Association to serve as trustee under the Indenture is hereby approved; and, be it further

RESOLVED, The attached Redemption Agreements are hereby approved in forms. Each Authorized Officer, acting alone, is hereby authorized and directed, subject to the Oversight Board's approval, and the California Department of Finance's non-objection to or approval of the Oversight Board's Resolution, to execute and deliver the Redemption Agreements in said forms, with such additions thereto or changes therein as are approved by an Authorized Officer upon consultation with the Successor Agency and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Redemption Agreements by an Authorized Officer; and, be it further

RESOLVED, The Successor Agency hereby approves the selection of the Underwriters. The attached Purchase Contract is hereby approved in form. An Authorized Officer is hereby authorized and directed to accept the offer of the Underwriters to purchase the 2017 Series C Bonds, provided that the following conditions are met: (a) the aggregate initial amount of the 2017 Series C Bonds may not exceed \$55,000,000, the true interest cost of the 2017 Series C Bonds may not exceed 8.00% per annum, and the Underwriters' discount for the 2017 Series C Bonds, without regard to any original issue discount, may not exceed 0.60% of the aggregate initial amount of the 2017 Series C Bonds; (b) the net present value savings obtained by issuing the 2017 Series C Bonds to refinance the Existing Loan Agreements and to refund the Prior Bonds, based on the debt service of the Existing Loan Agreements and Prior Bonds being refunded, is not less than 3% of the principal amount of the Existing Loan Agreements and the Prior Bonds being refunded (provided, however, that, in

accordance with the Debt Policy of the Successor Agency, this criterion may be waived in order to take advantage of the current historically low interest rate environment and the economic efficiency of including multiple loans in the current refinancing); and (c) the issuance of the 2017 Series C Bonds to refinance the Existing Loan Agreements and the Prior Bonds complies with the Savings Parameters. Subject to the Oversight Board's approval, and the Department of Finance's non-objection to or approval of the Oversight Board's Resolution, an Authorized Officer is hereby authorized and directed to execute and deliver each Purchase Contract in said form, with such additions thereto or changes therein as are recommended or approved by an Authorized Officer upon consultation with the Successor Agency's General Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of each Purchase Contract by an Authorized Officer; and, be it further

RESOLVED, Following approval by the Oversight Board of the issuance of the 2017 Series C Bonds by the Successor Agency and upon submission to the California Department of Finance of such approval by the Oversight Board, the Successor Agency will, with the assistance of Disclosure Counsel, Bond Counsel, the Fiscal Consultant and the Financial Advisor, cause to be prepared a form of Official Statement describing the 2017 Series C Bonds and containing material information relating to the Successor Agency and the 2017 Series C Bonds, the preliminary form of which will be submitted to the Successor Agency's Commission (but not to the Oversight Board) for approval for distribution by the Underwriters to persons and institutions interested in purchasing the 2017 Series C Bonds; and, be it further

RESOLVED, The 2017 Series C Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the 2017 Series C Bonds by executing the Trustee's certificate of authentication and registration appearing thereon, and to deliver the 2017 Series C Bonds, when duly executed and authenticated, to the Underwriters in accordance with written instructions executed on behalf of the Successor Agency by an Authorized Officer, which instructions such officer is hereby authorized and directed to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the 2017 Series C Bonds to the Underwriters upon payment of the purchase price therefor; and, be it further

RESOLVED, The Successor Agency hereby requests the Oversight Board, as authorized by Section 34177.5(f) of the Code, to direct the Successor Agency to undertake the refunding proceedings described herein and, as authorized by Sections 34177.5(f) and 34180 of the Code, to approve the issuance of the 2017 Series C Bonds to refund the Existing Loan Agreements and the Prior Bonds pursuant to Section 34177.5(a)(1) of the Code, this Resolution and the Indenture; and, be it further

RESOLVED, The Successor Agency hereby requests the Oversight Board, as authorized by Section 34177.7(f) of the Code, to direct the Successor Agency to undertake the proceedings relating to the issuance of bonds to fund the Mission Bay Affordable Housing Obligations and as authorized by Sections 34177.7(f) and 34180 of the Code to approve the issuance of the 2017 Series C Bonds to finance the Mission

Bay Affordable Housing Obligations pursuant to Section 34177.7(a)(1)(A) of the Code, this Resolution and the Indenture; and, be it further

RESOLVED, The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the proceedings necessary for the issuance of the 2017 Series C Bonds and the issuance of the 2017 Series C Bonds:

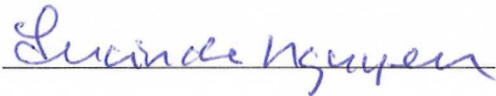
- (a) The Successor Agency is authorized, as provided in Sections 34177.5(f) and 34177.7(f) of the Code, to recover its costs related to the issuance of the 2017 Series C Bonds from the proceeds of the 2017 Series C Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the 2017 Series C Bonds.
- (b) The application of proceeds of the 2017 Series C Bonds by the Successor Agency to both the financing of the Mission Bay Affordable Housing Obligations and to the refunding and defeasance of the Prior Bonds and the refinancing of the Existing Loan Agreements, as well as the payment by the Successor Agency of costs of issuance of the 2017 Series C Bonds, shall be implemented by the Successor Agency promptly upon sale and delivery of the 2017 Series C Bonds, notwithstanding Section 34177.3 of the Code or any other provision of law to the contrary, without the further approval of the Oversight Board, the California Department of Finance, or any other person or entity other than the Successor Agency.
- (c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34183(a)(3) of the Code without any deductions with respect to continuing post-issuance compliance and administration costs related to the 2017 Series C Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183 of the Code. In addition and as provided by Sections 34177.5(f) and 34177.7(f) of the Code, if the Successor Agency is unable to complete the issuance of the 2017 Series C Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to proceedings relating to the issuance of the 2017 Series C Bonds from such property tax revenues pursuant to Section 34183 of the Code without reduction in its Administrative Cost Allowance; and, be it further

RESOLVED, The Successor Agency is hereby authorized and directed to file the Debt Service Savings Analysis, together with a certified copy of this Resolution, with the Oversight Board, and, as provided in Section 34180(j) of the Code, with the California Department of Finance, the Administrative Officer and Auditor-Controller of the City and County of San Francisco; and, be it further

RESOLVED, The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain a municipal bond insurance policy and/or reserve account surety bond, or both, for the 2017 Series C Bonds, or any portion thereof, from a municipal bond insurance company if it is determined, upon consultation with the Financial Advisor, that such municipal bond insurance policy and/or surety bond will reduce the debt service costs with respect to the 2017 Series C Bonds; and, be it further

RESOLVED, That, subject to the preparation and approval of the Official Statement, as described above, this Commission authorizes all actions heretofore taken by the officers and agents of the Successor Agency with respect to the sale and issuance of the 2017 Series C Bonds herein authorized, the expenditure of the proceeds of the 2017 Series C Bonds is hereby approved, confirmed and ratified, and the proper officers of the Successor Agency are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the 2017 Series C Bonds in accordance with this Resolution and any certificate, agreement and other document described in the documents herein approved.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of December 6, 2016.



Interim Commission Secretary

Attachment A- Indenture (Series 2017C)
Attachment B - Bond Purchase Contract (Series 2017C)
Attachment C - Redemption Agreement – 2006A
Attachment D - Redemption Agreement – 2009E
Attachment E – Redemption Agreement – 2011E

City of San Francisco, California
Successor Agency to the Redevelopment Agency of the City
and County of San Francisco

2017 Series C Taxable Tax Allocation Bonds

(Mission Bay Refunding)

Estimated Debt Service Savings

as of November 23rd, 2016

Summary of Bonds Refunded (Mission Bay North and Mission Bay South Project Areas)

Total of \$17.645 million in par

2006 Series A Taxable Tax Allocation Revenue Bonds		2009 Series E Taxable Tax Allocation Revenue Bonds		2011 Series E Taxable Tax Allocation Revenue Bonds	
<u>Maturity Date</u>	<u>Mission Bay Principal</u>	<u>Maturity Date</u>	<u>Mission Bay Principal</u>	<u>Maturity Date</u>	<u>Mission Bay Principal</u>
8/1/2017	85,000	8/1/2017		8/1/2017	
8/1/2018	90,000	8/1/2018		8/1/2018	
8/1/2019	100,000	8/1/2019		8/1/2019	
8/1/2020	105,000	8/1/2020	1,125,000	8/1/2020	
8/1/2021	110,000	8/1/2021	1,215,000	8/1/2021	
8/1/2022	115,000	8/1/2022	815,000	8/1/2022	495,000
8/1/2023	125,000	8/1/2023	875,000	8/1/2023	535,000
8/1/2024	130,000	8/1/2024	945,000	8/1/2024	575,000
8/1/2025	140,000	8/1/2025		8/1/2025	285,000
8/1/2026	145,000	8/1/2026		8/1/2026	1,100,000
8/1/2027	155,000	8/1/2027		8/1/2027	1,190,000
8/1/2028	165,000	8/1/2028		8/1/2028	1,295,000
8/1/2029	175,000	8/1/2029		8/1/2029	1,405,000
8/1/2030	185,000	8/1/2030		8/1/2030	1,525,000
8/1/2031	200,000	8/1/2031		8/1/2031	1,040,000
8/1/2032	210,000	8/1/2032		8/1/2032	
8/1/2033	225,000	8/1/2033		8/1/2033	
8/1/2034	240,000	8/1/2034		8/1/2034	
8/1/2035	255,000	8/1/2035		8/1/2035	
8/1/2036	270,000	8/1/2036		8/1/2036	
Total	\$3,225,000	Total	\$4,975,000	Total	\$9,445,000

Estimated Sources and Uses

Sources:	
Par Amount	20,115,000
2009E Mission Bay North Reserve Release	97,500
2009E Mission Bay South Reserve Release	523,000
2011E Mission Bay North Reserve Release	166,000
2011E Mission Bay South Reserve Release	779,500
Total Sources	21,681,000

Uses:	
Refunding Escrow Deposit	21,046,657
Cost of Issuance	153,818
Underwriter's Discount	110,633
Bond Insurance (1% of DS)	334,329
Surety (2.5% of Reserve Requirement)	35,564
Total Uses:	21,681,000

Estimated Cash Flow Savings

Date	Prior Debt Service	Refunding Debt Service	Savings
8/1/2017	777,025	702,054	74,971
8/1/2018	1,469,046	1,270,172	198,874
8/1/2019	1,473,747	1,274,213	199,534
8/1/2020	2,597,859	2,401,213	196,646
8/1/2021	2,599,309	2,404,401	194,908
8/1/2022	2,598,475	2,401,220	197,255
8/1/2023	2,597,851	2,400,852	196,999
8/1/2024	2,593,698	2,394,240	199,458
8/1/2025	1,240,550	1,042,048	198,502
8/1/2026	2,028,735	1,833,048	195,687
8/1/2027	2,030,392	1,833,477	196,915
8/1/2028	2,033,168	1,834,757	198,411
8/1/2029	2,031,269	1,836,381	194,888
8/1/2030	2,029,264	1,832,965	196,299
8/1/2031	1,416,290	1,219,341	196,950
8/1/2032	284,220	89,381	194,840
8/1/2033	286,232	90,951	195,281
8/1/2034	287,315	87,231	200,085
8/1/2035	287,471	88,458	199,013
8/1/2036	286,700	89,386	197,314
Total	\$30,948,613	\$27,125,785	\$3,822,829

INDENTURE OF TRUST

Dated as of March 1, 2017

by and between the

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO**

and

**U.S. BANK NATIONAL ASSOCIATION,
as Trustee**

Relating to

**\$ _____
Successor Agency to the Redevelopment Agency of the
City and County of San Francisco
2017 Series C Taxable Tax Allocation Bonds
(Mission Bay New Money and Refunding Housing Projects)**

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this "Indenture") is made and entered into and dated as of March 1, 2017, by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public entity duly existing under the laws of the State of California (the "Successor Agency"), as successor agency to the Redevelopment Agency of the City and County of San Francisco (the "Former Agency") and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, prior to its dissolution (as described below), the Former Agency was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (as amended, the "Law"), including the power to issue bonds and incur debt for any of its corporate purposes;

WHEREAS, a redevelopment plan (as more fully defined herein, the "Mission Bay North Redevelopment Plan") for the Mission Bay North Redevelopment Project of the Former Agency was adopted and subsequently amended in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of the Mission Bay North Redevelopment Plan, as amended, have been duly complied with;

WHEREAS, a redevelopment plan (as more fully defined herein, the "Mission Bay South Redevelopment Plan") for the Mission Bay South Redevelopment Project of the Former Agency was adopted and subsequently amended in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of the Mission Bay South Redevelopment Plan, as amended, have been duly complied with;

WHEREAS, in order to finance low and moderate income housing within or of benefit to the Mission Bay North Redevelopment Project, the Former Agency has heretofore entered into the following loan agreements (collectively, the "Existing Mission Bay North Housing Loan Agreements"), and pledged Tax Revenues (as defined in the Existing Mission Bay North Housing Loan Agreements) to the repayment of the loans (the "Existing Mission Bay North Housing Loans") made to the Former Agency under the Existing Mission Bay North Housing Loan Agreements:

- (i) Loan Agreement dated as of August 1, 2006, among the Former Agency, The Bank of New York Trust Company, N.A., as succeeded by The Bank of New York Mellon Trust Company, N.A., as trustee, and the City and County of San Francisco Redevelopment Financing Authority (the "Authority"), in the initial aggregate principal amount of \$3,900,000;
- (ii) Loan Agreement dated as of December 1, 2009, among the Former Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$975,000; and

(iii) Loan Agreement dated as of April 1, 2011 among the Former Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$1,660,000;

WHEREAS, in order to finance low and moderate income housing within or of benefit to the Mission Bay South Redevelopment Project, the Former Agency has heretofore entered into the following loan agreements (collectively, the "Existing Mission Bay South Housing Loan Agreements" and, together with the Existing Mission Bay North Housing Loan Agreements, the "Existing Loan Agreements"), and pledged Tax Revenues (as defined in the Existing Mission Bay South Housing Loan Agreements) to the repayment of the loans (the "Existing Mission Bay South Housing Loans" and, together with the Existing Mission Bay North Housing Loans, the "Existing Loans") made to the Former Agency under the Existing Mission Bay South Housing Loan Agreements:

(i) Loan Agreement dated as of December 1, 2009, among the Former Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$5,230,000; and

(ii) Loan Agreement dated as of April 1, 2011 among the Former Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$7,795,000;

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the Law, and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 (as amended, the "Dissolution Act"), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to the Dissolution Act, assumed the duties and obligations of the Former Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Former Agency under the Existing Loan Agreements and the related documents to which the Former Agency was a party;

WHEREAS, Section 34177.5(a)(1) of the California Health and Safety Code authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency, subject to the conditions precedent contained in said Section 34177.5;

WHEREAS, said Section 34177.5 also authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in said Section 34177.5;

WHEREAS, Section 34177.7(a)(1)(A) of the California Health and Safety Code authorizes the Successor Agency to undertake proceedings for the issuance of bonds in order to fund the affordable housing required by the Mission Bay North Owner Participation Agreement (as defined herein), and the Mission Bay South Owner Participation Agreement (as defined herein), subject to the conditions precedent contained in said Section 34177.7;

WHEREAS, in order to provide moneys to (i) refinance the Existing Loans and to discharge the Existing Loan Agreements, and thereby to refund the Prior Bonds (as defined herein), for the purpose of providing debt service savings, and (ii) to fund a portion of the

affordable housing required by the Mission Bay North Owner Participation Agreement and the Mission Bay South Owner Participation Agreement, the Successor Agency has determined to issue its 2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects) (the "2017 Series C Bonds");

WHEREAS, the 2017 Series C Bonds will be issued pursuant to and in accordance with the provisions of Section 34177.5(a)(1) and 34177.7(a)(1) of the California Health and Safety Code, the Law and the Refunding Law;

WHEREAS, the 2017 Series C Bonds, and any additional Parity Debt, will be payable from Tax Revenues;

WHEREAS, in order to provide for the authentication and delivery of the 2017 Series C Bonds, to establish and declare the terms and conditions upon which the 2017 Series C Bonds are to be issued and secured and to secure the payment of the principal thereof and interest and redemption premium (if any) thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Successor Agency has determined that all acts and proceedings required by law necessary to make the 2017 Series C Bonds when executed by the Successor Agency, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Bonds, including the 2017 Series C Bonds, issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds, including the 2017 Series C Bonds, are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds, including the 2017 Series C Bonds, by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, including the 2017 Series C Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the 2017 Series C Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the 2017 Series C Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

"Annual Debt Service" means, for each Bond Year, the sum of (a) the interest payable on the 2017 Series C Bonds and any other Parity Debt in such Bond Year, and (b) the principal amount of the Outstanding Bonds (including the aggregate principal amount of the Term Bonds required to be redeemed pursuant to a Supplemental Indenture) and any other Parity Debt payable by their terms in such Bond Year. [For purposes of such calculation, the amount of interest on any Bonds or other Parity Debt that is payable from the proceeds of such Bonds or Parity Debt that is set aside solely for such purpose shall not be included in the calculation of Annual Debt Service, and there also shall be excluded payments with respect to the 2017 Series C Bonds or any Parity Debt to the extent that amounts due with respect to the 2017 Series C Bonds or such Parity Debt are prepaid or otherwise discharged in accordance with this Indenture or the relevant Parity Debt Instrument or to the extent the proceeds thereof are then deposited in an escrow fund from which amounts may not be released to the Successor Agency unless the amount of Tax Revenues for the most recent Fiscal Year (as evidenced in a written document from an appropriate official of the City and County), at least equals one hundred twenty-five percent (125%) of the amount of Maximum Annual Debt Service which would result if any such moneys on deposit in such escrow fund were to be released and deposited in the project fund established in connection with such Parity Debt.]

"Authority" means the City and County of San Francisco Redevelopment Financing Authority.

"Bonds" means the 2017 Series C Bonds and any Parity Debt issued as bonds pursuant to a Supplemental Indenture.

"Bond Counsel" means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Successor Agency, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

"Bond Year" means each twelve (12) month period extending from [August 1] in one calendar year to [July 31] of the succeeding calendar year, both dates inclusive; provided that the first Bond Year with respect to the Bonds shall commence on the Closing Date and end on [July 31, 2017].

"Business Day" means any day, other than a Saturday or Sunday or a day on which commercial banks in New York, New York, or any other city or cities where the Principal Corporate Trust Office of the Trustee is located are required or authorized by law to close or a day on which the Federal Reserve System is closed.

"City" and **"City and County"** means the City and County of San Francisco, a chartered city and municipal corporation organized and existing under the Constitution and laws of the State.

"Closing Date" means the date on which a series of Bonds is delivered by the Successor Agency to the original purchaser thereof. The Closing Date with respect to the 2017 Series C Bonds is March __, 2017.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate, with respect to the 2017 Series C Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, bond insurance premiums, if any, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds, administrative costs of the Successor Agency and the City and County incurred in connection with the issuance of the Bonds, expenses of the underwriters of the Bonds, the fees and expenses of counsel to the underwriters of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Bonds.

"Costs of Issuance Fund" means the fund by that name established and held by the Trustee pursuant to Section 3.03.

"Debt Service Fund" means the fund by that name established and held by the Trustee pursuant to Section 4.03.

"Defeasance Obligations" means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency's investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency's investment policies then in effect):

- (a) Cash;

(b) Federal Securities, including direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities;

(c) The interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form;

(d) Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P, provided that, if the issue is rated only by S&P (i.e., there is no Moody's rating), then the pre-refunded municipal bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals; and

(e) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) participation certificates of the General Services Administration; (iv) Federal Financing Bank bonds and debentures; (v) guaranteed Title XI financings of the U.S. Maritime Administration; and (vi) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development.

"Department of Finance" means the Department of Finance of the State of California.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.11.

"Depository System Participant" means any participant in the Depository's book-entry system.

"Dissolution Act" means California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011, as it has heretofore been amended and as it may hereafter be amended.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Escrow Trustee" shall mean the Escrow Trustee identified in each Redemption Agreement.

"Event of Default" means any of the events described in Section 8.01.

"Existing Loan Agreements" means, collectively, the Mission Bay North Existing Loan Agreements and the Mission Bay South Existing Loan Agreements.

"Existing Loans" means, collectively, the Mission Bay North Existing Loans and the Mission Bay South Existing Loans.

"Federal Securities" means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America.

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

"Former Agency" means the now dissolved Redevelopment Agency of the City and County of San Francisco.

"Indenture" means this Indenture of Trust by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

"Independent Accountant" means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom:

(a) is in fact independent and not under domination of the Successor Agency or the City and County;

(b) does not have any substantial interest, direct or indirect, with the Successor Agency or the City and County; and

(c) is not connected with the Successor Agency or the City and County as an officer or employee of the Successor Agency or the City and County, but who may be regularly retained to make reports to the Successor Agency or the City and County.

"Independent Redevelopment Consultant" means any consultant or firm of such consultants appointed by the Successor Agency (who may be an underwriter of bonds of the Successor Agency or the City and County), and who, or each of whom:

(a) is judged by the Successor Agency to have experience in matters relating to the collection of Tax Revenues or otherwise with respect to the financing of the Redevelopment Project;

(b) is in fact independent and not under domination of the Successor Agency or the City and County;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency or the City and County; and

(d) is not connected with the Successor Agency or the City and County as an officer or employee of the Successor Agency or the City and County, but who may be regularly retained to make reports to the Successor Agency or the City and County.

"Information Services" means, in accordance with then current guidelines of the Securities and Exchange Commission, such services providing information with respect to the redemption of bonds as the Successor Agency may designate in a Written Request of the Successor Agency filed with the Trustee.

"Insurer" means the provider of a municipal bond or financial guaranty insurance policy with respect to Parity Debt.

"Interest Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

"Interest Payment Date" means August 1, 2017 and each February 1 and August 1 thereafter for so long as any of the Bonds remain Outstanding hereunder.

"Law" means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the Health and Safety Code of the State, and the acts amendatory thereof and supplemental thereto (including the Dissolution Act).

"Maximum Annual Debt Service" means, as of the date of calculation, the largest amount for the current or any future Bond Year payable on the 2017 Series C Bonds and any Parity Debt in such Bond Year. [For purposes of such calculation, the amount of interest on any Bonds or other Parity Debt that is payable from the proceeds of such Bonds or Parity Debt that is set aside solely for such purpose shall not be included in the calculation of Maximum Annual Debt Service, and there also shall be excluded payments with respect to the 2017 Series C Bonds or any Parity Debt to the extent that amounts due with respect to the 2017 Series C Bonds or such Parity Debt are prepaid or otherwise discharged in accordance with this Indenture or the relevant Parity Debt Instrument or to the extent the proceeds thereof are then deposited in an escrow fund from which amounts may not be released to the Successor Agency unless the amount of Tax Revenues for the most recent Fiscal Year (as evidenced in a written document from an appropriate official of the City and County), at least equals one hundred twenty-five percent (125%) of the amount of Maximum Annual Debt Service which would result if any such moneys on deposit in such escrow fund were to be released and deposited in the project fund established in connection with such Parity Debt.]

"Mission Bay North Existing Loan Agreements" means, collectively, the following loan agreements relating to the Mission Bay North Project Area:

(i) Loan Agreement dated as of August 1, 2006, among the Former Agency, The Bank of New York Trust Company, N.A., as succeeded by The Bank of New York Mellon Trust Company, N.A., as trustee, and the City and County of San Francisco Redevelopment Financing Authority (the "Authority"), in the initial aggregate principal amount of \$3,900,000;

(ii) Loan Agreement dated as of December 1, 2009, among the Former Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$975,000; and

(iii) Loan Agreement dated as of April 1, 2011 among the Former Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$1,660,000.

"Mission Bay North Existing Loans" means the loans made by the Authority to the Successor Agency pursuant to the Mission Bay North Existing Loan Agreements.

"Mission Bay North Owner Participation Agreement" means Mission Bay North Owner Participation Agreement, dated as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended in accordance with the Law.

"Mission Bay North Project Area" means the redevelopment project area described in the Mission Bay North Redevelopment Plan.

"Mission Bay North Redevelopment Plan" means, the Redevelopment Plan for the Mission Bay North Redevelopment Project, approved by ordinance of the Board of Supervisors of the City and County on October 26, 1998, as heretofore amended and as may hereafter be amended pursuant to the Law.

"Mission Bay North Redevelopment Project" means the undertaking of the Successor Agency pursuant to the Mission Bay North Redevelopment Plan and the Law for the redevelopment of the Mission Bay North Project Area.

"Mission Bay North Tax Revenues" means an amount equal to 20% of all tax increment generated with respect to the Mission Bay North Redevelopment Project.

"Mission Bay South Existing Loan Agreements" means, collectively, the following loan agreements relating to the Mission Bay South Project Area:

(i) Loan Agreement dated as of December 1, 2009, among the Former Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$5,230,000; and

(ii) Loan Agreement dated as of April 1, 2011 among the Former Agency, U.S. Bank National Association, as trustee, and the Authority, in the initial aggregate principal amount of \$7,795,000.

"Mission Bay South Existing Loans" means the loans made by the Authority to the Successor Agency pursuant to the Mission Bay South Existing Loan Agreements.

"Mission Bay South Owner Participation Agreement" means the Mission Bay South Owner Participation Agreement, dated as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended in accordance with the Law.

"Mission Bay South Project Area" means the redevelopment project area described in the Mission Bay North Redevelopment Plan.

"Mission Bay South Redevelopment Plan" means, the Redevelopment Plan for the Mission Bay South Redevelopment Project, approved by ordinance of the Board of Supervisors

of the City and County on November 2, 1998, as heretofore amended and as may hereafter be amended pursuant to the Law.

"Mission Bay South Redevelopment Project" means the undertaking of the Successor Agency pursuant to the Mission Bay South Redevelopment Plan and the Law for the redevelopment of the Mission Bay South Project Area.

"Mission Bay South Tax Revenues" means an amount equal to 20% of all tax increment generated with respect to the Mission Bay South Redevelopment Project.

"Moody's" means Moody's Investors Service and its successors.

"Nominee" means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of the Depository designated pursuant to Section 2.11(a).

"Original Purchaser" means, with respect to the 2017 Series C Bonds, collectively, Piper Jaffray & Co. and Stinson Securities, LLC, as the original purchasers of the 2017 Series C Bonds.

"Outstanding" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except:

(a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

"Oversight Board" means the Oversight Board of the Successor Agency established pursuant to the Section 34179 of the Dissolution Act.

"Owner" or **"Bondowner"** means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

"Parity Debt" means any additional bonds, loans, advances or indebtedness issued or incurred by the Successor Agency on a parity with the 2017 Series C Bonds pursuant to Section 3.06.

"Parity Debt Instrument" means resolution, indenture of trust, supplemental indenture of trust, loan agreement, trust agreement or other instrument authorizing the issuance of any Parity Debt.

"Participating Underwriter" has the meaning ascribed thereto in the Continuing Disclosure Certificate.

"Permitted Investments" means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency's investment policies then in effect

(provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency's investment policies then in effect):

(a) Federal Securities;

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) Federal Housing Administration debentures; (iv) participation certificates of the General Services Administration; (v) Federal Financing Bank bonds and debentures; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of Ginnie Mae (formerly known as the Government National Mortgage Association); (vii) guaranteed Title XI financings of the U.S. Maritime Administration; and (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities only as stripped by the agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of Fannie Mae; (iv) senior debt obligations of Sallie Mae (formerly known as the Student Loan Marketing Association); (v) obligations of the Resolution Funding Corporation; and (vi) consolidated system-wide bonds and notes of the Farm Credit System;

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAM-G, AAAM or AAM, and a rating by Moody's of Aaa, Aa1 or Aa2 (such funds may include funds for which the Trustee, its affiliates, parent or subsidiaries provide investment advisory or other management services);

(e) Certificates of deposit (including those of the Trustee, its parent and its affiliates) secured at all times by collateral described in (a) or (b) above or by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law, which have a maturity not greater than one year from the date of investment and which are issued by commercial banks, savings and loan associations or mutual savings banks;

(f) Certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates), but only to the extent that the amount being invested in such certificates of deposit, savings accounts, deposit accounts or money market deposits are fully insured by FDIC, including BIF and SAIF;

(g) Investment agreements, including guaranteed investment contracts, forward purchase agreements, reserve fund put agreements and collateralized investment agreements with an entity rated "Aa" or better by Moodys' and "AA" or better by S&P, or unconditionally guaranteed by an entity rated "Aa" or better by Moodys' and "AA" or better by S&P;

(h) Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1+" or better by S&P;

(i) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies;

(j) Federal funds or bankers acceptances with a maximum term of one year of any bank which an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's, and "A-1+" by S&P; and

(k) The Local Agency Investment Fund that is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided for investment of funds held by the Trustee, the Trustee is entitled to make investments and withdrawals in its own name as Trustee.

"Principal Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(b).

"Principal Corporate Trust Office" means the corporate trust office of the Trustee in San Francisco, California, or such other or additional offices as the Trustee may designate in writing to the Agency from time to time as the corporate trust office for purposes of the Indenture; except that with respect to presentation of Bonds for payment or for registration of transfer and exchange, such term means the office or agency of the Trustee at which, at any particular time, its corporate trust agency business is conducted, initially in Saint Paul, Minnesota.

"Prior Bonds" means, collectively, the following bonds of the Authority:

(i) \$50,731,330.80 initial aggregate principal amount of 2006 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects);

(ii) \$72,565,000 initial aggregate principal amount of 2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects); and

(iii) \$9,455,000 initial aggregate principal amount of 2011 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects).

"Project Areas" means, collectively, the Mission Bay North Project Area and the Mission Bay South Project Area.

"Qualified Reserve Account Credit Instrument" means, subject to the proviso below, an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Trustee, provided that all of the following requirements are met at the time of acceptance thereof by the Trustee: (a) in the case of a commercial bank, the long-term credit rating of such bank at the time of such issuance is at least ["AA-"] from S&P or ["Aa"] from Moody's (in each case, without regard to numerical or other modifier) and, in the case of an insurance company, the claims paying ability of such insurance company at the time of such issuance is ["AA-"] from S&P, or ["Aa"] from Moody's (in each case, without regard to numerical or other modifier); (b) such letter of credit or surety bond has a term of at least 12 months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released; and (d) the Trustee is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture.

"Recognized Obligation Payment Schedule" means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (l) of Section 34177 of the California Health and Safety Code.

"Record Date" means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

"Redemption Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(d).

"Redemption Agreement - 2006A Bonds" means Agreement Regarding the Redemption, Defeasance and Payment of 2006 Series A Bonds and 2006 Series A Loan Agreement dated as of March 1, 2017, among the Authority, the Successor Agency and the Escrow Trustee.

"Redemption Agreement - 2009E Bonds" means Agreement Regarding the Redemption, Defeasance and Payment of 2009 Series E Bonds and 2009 Series E Loan Agreements dated as of March 1, 2017, among the Authority, the Successor Agency and the Escrow Trustee.

"Redemption Agreement - 2011E Bonds" means Agreement Regarding the Redemption, Defeasance and Payment of 2011 Series E Bonds and 2011 Series E Loan Agreements dated as of March 1, 2017, among the Authority, the Successor Agency and the Escrow Trustee.

"Redevelopment Obligation Retirement Fund" means the fund by that name established pursuant to California Health and Safety Code Section 34170.5(b) and administered by the Successor Agency.

"Redevelopment Plans" means, collectively, the Mission Bay North Redevelopment Plan and the Mission Bay South Redevelopment Plan.

"Redevelopment Projects" means the undertakings of the Successor Agency pursuant to the Redevelopment Plans and the Law for the redevelopment of the Project Areas.

"Redevelopment Property Tax Trust Fund" or **"RPTTF"** means the fund by that name established pursuant to California Health and Safety Code Sections 34170.5(b) and 34172(c) and administered by the Controller of the City and County.

"Refunding Fund" means the 2017 Series C Refunding Fund established and held by the Trustee pursuant to Section 3.05.

"Refunding Law" means to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code.

"Registration Books" means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

"Report" means a document in writing signed by an Independent Redevelopment Consultant and including:

(a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and

(c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"Reserve Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(c).

"Reserve Requirement" means, subject to Section 4.03(c) of this Indenture, with respect to the 2017 Series C Bonds, and each series of Parity Debt issued in the form of Bonds, the lesser of

(i) 125% of the average Annual Debt Service with respect to that series of the Bonds,

(ii) Maximum Annual Debt Service with respect to that series of the Bonds, or

(iii) with respect to an individual series of Bonds, 10% of the original principal amount of a series of Bonds (or, if such series of Bonds has more than a de minimis amount of original issue discount or premium, 10% of the issue price of such series of Bonds);

provided, that the Reserve Requirement may be determined on a combined or individual basis for two or more series of Bonds, as determined by the Successor Agency and that in no event shall the Successor Agency, in connection with the issuance of Parity Debt in the form of Bonds pursuant to a Supplemental Indenture be obligated to deposit an amount in the Reserve Account which is in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any

such deposit into the Reserve Account is so limited, the Reserve Requirement shall, in connection with the issuance of such Parity Debt issued in the form of Bonds, be increased only by the amount of such deposit as permitted by the Code, if applicable; and, provided further that the Successor Agency may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Account Credit Instrument meeting the requirements of Section 4.03(c) hereof.

"S&P" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, and its successors.

"Securities Depositories" means The Depository Trust Company, New York, New York 10041-0099, Fax-(212) 855-7232; or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Successor Agency may designate in a Written Request of the Successor Agency delivered to the Trustee.

"Serial Bonds" means all Bonds other than Term Bonds.

"Special Fund" means the fund held by the Successor Agency established pursuant to Section 4.02.

"State" means the State of California.

"Subordinate Debt" means any loans, advances or indebtedness issued or incurred by the Successor Agency pursuant to Section 3.07, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Tax Revenues; or (b) secured by a pledge of or lien upon the Tax Revenues which is expressly subordinate to the pledge of and lien upon the Tax Revenues hereunder for the security of the 2017 Series C Bonds and any Parity Debt.

"Subordinate Debt Instrument" means any instrument providing for the issuance of Subordinate Debt.

"Supplemental Indenture" means any resolution, agreement or other instrument that has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Tax Revenues" means, collectively, the Mission Bay North Tax Revenues and the Mission Bay South Tax Revenues.

"Term Bonds" means the 2017 Series C Bonds maturing on August 1, 2041, and that portion of any other Bonds payable from mandatory sinking account payments.

"Trustee" means U.S. Bank National Association, as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

"2017 Reserve Subaccount" means the subaccount by that name established within the Reserve Account pursuant to Section 4.03.

"2017 Series C Bond Insurance Policy" means [to come].

"2017 Series C Bonds" means the \$_____ aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects).

"2017 Series C Financial Guaranty Agreement" means [to come].

"2017 Series C Insured Bonds" means the 2017 Series C Bonds maturing on [to come].

"2017 Series C Insurer" means [to come].

"2017 Series C Projects Fund" means the fund by that name established pursuant to Section 3.04.

"2017 Series C Reserve Insurance Policy" means [to come].

"Written Request of the Successor Agency" or **"Written Certificate of the Successor Agency"** means a request or certificate, in writing signed by the Executive Director or the Deputy Director, Finance and Administration of the Successor Agency or her or his designee, or by any other officer of the Successor Agency or the City and County duly authorized by the Successor Agency for that purpose.

Section 1.03. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of 2017 Series C Bonds. An initial issue of Bonds in the aggregate principal amount of _____ Dollars (\$_____) is hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture, the Law and the Refunding Law. \$_____ of the Bonds constitute refunding bonds and are being issued pursuant to the Dissolution Act and the Refunding Law, and \$_____ of the Bonds constitute new money bonds and are being issued pursuant to the Dissolution Act, as more fully set forth in Exhibit C hereto. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and redemption premiums (if any) and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. Such initial issue of Bonds shall be designated the "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects)".

Section 2.02. Terms of 2017 Series C Bonds. The 2017 Series C Bonds shall be issued in fully registered form without coupons. The 2017 Series C Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof, so long as no 2017 Series C Bond shall have more than one maturity date. The 2017 Series C Bonds shall be dated as of their Closing Date. The 2017 Series C Bonds shall be lettered and numbered as the Trustee shall prescribe.

The 2017 Series C Bonds shall mature on August 1 in each of the years and in the respective principal amounts, and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months), payable on each Interest Payment Date commencing August 1, 2017, at the rates per annum, as set forth below.

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Maturity Date (<u>August 1</u>)	Principal <u>Amount</u>	Interest <u>Rate</u>
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[The payment of debt service, when due, on the 2017 Series C Bonds maturing on August 1, 20__ is insured by the 2017 Insurance Policy.]

Each 2017 Series C Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before July 15, 2017, in which event it shall bear interest from its Closing Date; provided, however, that if, as of the date of authentication of any 2017 Series C Bond, interest thereon is in default, such 2017 Series C Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2017 Series C Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of 2017 Series C Bonds, which written request is on file with the Trustee as of any Record Date, interest on such 2017 Series C Bonds shall be paid on the succeeding Interest Payment Date to such account in the United States as shall be specified in such written request. The principal of the 2017 Series C Bonds and any premium upon redemption, are payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

Section 2.03. Redemption of 2017 Series C Bonds.

(a) Optional Redemption. The 2017 Series C Bonds maturing on or prior to August 1, [2027], are not subject to optional redemption. The 2017 Series C Bonds maturing on or after August 1, [2028], are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after [August 1, 2027], by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

[Make Whole Call?]

The Successor Agency shall be required to give the Trustee written notice of its intention to redeem 2017 Series C Bonds under this subsection (a) with a designation of the principal amount and maturities to be redeemed at least forty five (45) days prior to the date fixed for such redemption (or such later date as shall be acceptable to the Trustee in the sole determination of the Trustee), and shall transfer to the Trustee for deposit in the Debt Service Fund all amounts required for such redemption not later than the date fixed for such redemption.

(b) Mandatory Sinking Fund Redemption. The 2017 Series C Bonds that are Term Bonds maturing August 1, 20__ and August 1, 20__ shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 20__, and August 1, 20__, respectively, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (x) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (y) if some but not all of such Term Bonds have been redeemed pursuant to subsection (a) above, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

2017 Series C Term Bonds of 20__

August 1

Principal Amount

2017 Series C Term Bonds of 20__

August 1

Principal Amount

(c) Notice of Redemption; Rescission. The Trustee on behalf and at the expense of the Successor Agency shall mail (by first class mail, postage prepaid) notice of any redemption at least thirty (30) but not more than sixty (60) days prior to the redemption date, to (i) to the any Insurer and to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) to the Securities Depositories and one or more Information Services designated in a Written Request of the Successor Agency filed with the Trustee; but such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall state, in the case of a redemption pursuant to (a) above, that such redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the Bonds to be redeemed, shall state the individual number of each Bond to be redeemed or shall state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and shall require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

The Successor Agency shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner and to the same recipients as the original notice of redemption was sent.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(d) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Successor Agency shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(e) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption shall have been duly deposited with the Trustee, such Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest shall accrue thereon from and after the redemption date specified in such notice.

(f) Manner of Redemption. Whenever any Bonds or portions thereof are to be selected for redemption by lot, the Trustee shall make such selection, in such manner as the Trustee shall deem appropriate, and shall notify the Successor Agency thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee shall assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. All Bonds redeemed or purchased pursuant to this Section 2.03 shall be cancelled and destroyed.

(g) Purchase in Lieu of Redemption. In lieu of redemption of the Term Bonds pursuant to sub-paragraph (b) or pursuant to a Supplemental Indenture, amounts on deposit in the Special Fund or in the Principal Account may also be used and withdrawn by the Successor Agency and the Trustee, respectively, at any time, upon the Written Request of the Successor Agency, for the purchase of the Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as the Successor Agency may in its discretion determine. The par amount of any Term Bonds so purchased by the Successor Agency in any twelve-month period ending on June 1 in any year shall be credited towards and shall reduce the par amount of the Term Bonds required to be redeemed pursuant to subsection (d) on August 1 in each year; provided that evidence satisfactory to the Trustee of such purchase has been delivered to the Trustee by said June 1.

Section 2.04. Form of 2017 Series C Bonds. The 2017 Series C Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the Successor Agency by the signature of its Executive Director or its Deputy Director, Finance and Administration or her or his designee and the signature of the person who administers the meetings of the Commission of the Successor Agency who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Successor Agency although on the date of such Bond any such person shall not have been such officer of the Successor Agency.

Only such of the Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore set forth, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.09 hereof, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary Bonds shall be

entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the Successor Agency shall execute and the Trustee shall thereupon authenticate and deliver to the transferee a new Bond or Bonds of like tenor, maturity and aggregate principal amount of authorized denominations. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

The Trustee may refuse to transfer, under the provisions of this Section 2.06, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for Bonds of the same tenor and maturity and of other authorized denominations. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

The Trustee may refuse to exchange, under the provisions of this Section 2.07, either (a) any Bonds during the fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption or (b) any Bonds selected by the Trustee for redemption.

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection and copying by the Successor Agency, upon reasonable prior notice to the Trustee; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Successor Agency issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Principal Corporate Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Successor Agency). The Successor Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

Section 2.11. Book-Entry System.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond without coupons (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, neither the Successor Agency nor the Trustee shall have any responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository System Participant holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, neither the Successor Agency nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the Successor Agency elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The Successor Agency and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bond for the purpose of payment of principal, premium and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes

whatsoever. The Trustee shall pay the principal of and interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bond Owner shall receive a Bond evidencing the obligation of the Successor Agency to make payments of principal, interest and premium, if any, pursuant to this Indenture. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Successor Agency shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the Successor Agency and the Trustee shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Successor Agency or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. The Trustee agrees to comply with all provisions in such letter with respect to the giving of notices thereunder by the Trustee. In addition to the execution and delivery of such letter, upon written request of the Depository or the Trustee, the Successor Agency may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the Successor Agency determines to terminate the Depository as such, then the Successor Agency shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Successor Agency and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Successor Agency fails to identify another Securities Depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Article II. Prior to its termination, the Depository shall furnish the Trustee with the names and addresses of the Depository System Participants and respective ownership interests thereof.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

Section 2.12. Applicability of Provisions to Additional Bonds. Unless otherwise provided in a Supplemental Indenture, the provisions of Sections 2.03(c) through (g) and 2.05 through 2.11 shall apply to additional Bonds.

ARTICLE III

DEPOSIT AND APPLICATION; ADDITIONAL DEBT

Section 3.01. Issuance of Bonds. Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver to the Trustee the 2017 Series C Bonds in the aggregate principal amount of _____ Million _____ Hundred _____ Thousand Dollars (\$_____) and the Trustee shall authenticate and deliver the 2017 Series C Bonds upon the Written Request of the Successor Agency.

Section 3.02. Application of Proceeds of Sale and Certain Other Amounts. On the Closing Date with respect to the 2017 Series C Bonds, the proceeds of sale of the 2017 Series C Bonds, being \$_____ (calculated as the par amount of the 2017 Series C Bonds, plus original issue premium in the amount of \$_____, less the discount of the Original Purchaser in the amount of \$_____, less \$_____ to the 2017 Series C Insurer as the premium for the 2017 Series C Bond Insurance Policy, and less \$_____ paid to the 2017 Series C Insurer as the premium for the 2017 Series C Reserve Insurance Policy), shall be paid to the Trustee and applied as follows:

(a) The Trustee shall deposit the amount of \$_____ in the Costs of Issuance Fund.

(b) The Trustee shall deposit the amount of \$_____ in the 2017 Series C Project Fund; and

(c) The Trustee shall deposit \$_____, being the remaining amount of proceeds of the 2017 Series C Bonds, in the Refunding Fund, provided, however, that the Original Purchaser may transfer \$_____ directly to the Escrow Trustee under the Redemption Agreement - 2006A Bonds.

Section 3.03. Costs of Issuance Fund. There is hereby established a separate fund to be known as the "Costs of Issuance Fund", which shall be held by the Trustee in trust. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2017 Series C Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six (6) months following the Closing Date with respect to the 2017 Series C Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Debt Service Fund, and the Costs of Issuance Fund shall be closed.

Section 3.04. 2017 Series C Projects Fund. (a) There shall be established a separate and segregated fund to be known as the "Mission Bay 2017 Series C Fund (the "2017 Series C Projects Fund)", which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2017 Series C Projects Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2017 Series C Projects Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of affordable housing in accordance with the Redevelopment Plans, the Mission Bay North Owner Participation Agreement and the Mission Bay South Owner Participation Agreement including, without limitation, the payment of any unpaid Costs of

Issuance and capitalized interest on the 2017 Series C Bonds. The Successor Agency covenants that no funds on deposit in the 2017 Series C Projects Fund shall be applied for any purpose not authorized by the Law.

(b) The Trustee shall disburse amounts at any time on deposit in the 2017 Series C Projects Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached hereto as Exhibit C. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director, Finance and Administration, of the Successor Agency or her or his designee.

(c) At such time as no amounts remain on deposit in the 2017 Series C Projects Fund, the 2017 Series C Projects Fund shall be closed.

Section 3.05. Refunding Fund. There is hereby created the 2017 Series C Refunding Fund (the "Refunding Fund") held by the Trustee in trust for the benefit of the Successor Agency. The moneys in the 2017 Series C Refunding Fund shall be maintained separate and apart from other moneys of the Successor Agency.

On the Closing Date with respect to the 2017 Series C Bonds, the Trustee shall transfer (i) \$_____ on deposit in the 2017 Series C Refunding Fund to the applicable Escrow Trustee for deposit under the Redemption Agreement - 2006A Bonds (if not directly transferred by the Original Purchaser), (ii) \$_____ on deposit in the 2017 Series C Refunding Fund to the applicable Escrow Trustee for deposit under the Redemption Agreement - 2009E Bonds and (ii) \$_____ on deposit in the 2017 Series C Refunding Fund to the applicable Escrow Trustee for deposit under the Redemption Agreement - 2011E Bonds. Upon making such transfers, the 2017 Series C Refunding Fund shall be closed.

Section 3.06. Issuance of Parity Debt. In addition to the 2017 Series C Bonds, the Successor Agency may issue additional bonds (including pursuant to a supplemental Indenture) or incur other loans, advances or indebtedness payable from Tax Revenues on a parity with the 2017 Series C Bonds to finance or refinance redevelopment activities with respect to the Redevelopment Project in such principal amount as shall be determined by the Successor Agency. The Successor Agency may issue and deliver any such Parity Debt subject to the following specific conditions all of which are hereby made conditions precedent to the issuance and delivery of such Parity Debt:

(a) No event of default hereunder or under any Parity Debt Instrument shall have occurred and be continuing;

(b) The Tax Revenues received or to be received for the then current Fiscal Year based on the most recent taxable valuation of property in the Project Area as evidenced in a written document from an appropriate official of the City and County, exclusive of State subventions and taxes levied to pay voter approved outstanding general obligation bonded indebtedness, shall be at least equal to one hundred and twenty five percent (125%) of Maximum Annual Debt Service on the 2017 Series C Bonds and any other Parity Debt that will be outstanding immediately following the issuance of such Parity Debt, provided that in the case of Parity Debt issued to refund the 2017 Series C Bonds or other Parity Debt, such coverage requirement shall not apply as long as Maximum Annual Debt Service on the 2017 Series C Bonds and any

other Parity Debt that will be outstanding immediately following the issuance of such Parity Debt does not increase;

(c) In the event the Successor Agency issues additional Bonds pursuant to a Supplemental Indenture, the Successor Agency shall cause the amount on deposit in the Reserve Account to equal the Reserve Requirement; and

(d) The Successor Agency shall deliver to the Trustee a Written Certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Parity Debt set forth above have been satisfied.

Parity Debt issued solely for refunding purposes shall not be required to meet the requirements set forth in (b) above in the event that debt service on the Bonds and all Parity Debt is reduced in each Bond Year as a result of such refunding.

Section 3.07. Issuance of Subordinate Debt. The Successor Agency may issue or incur Subordinate Debt in such principal amount as shall be determined by the Successor Agency. Such Subordinate Debt may be payable from any assets or property of the Successor Agency, including Tax Revenues on a subordinate basis to the payment of debt service on the Bonds.

Section 3.08. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the Redevelopment Projects or upon the performance by any person of his obligation with respect to the Redevelopment Projects.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. Except as provided in Section 6.06, the 2017 Series C Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Tax Revenues and the moneys in the Special Fund, and the 2017 Series C Bonds and any additional Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

The Bonds and any Parity Debt shall be also equally secured by the pledge and lien created with respect to the 2017 Series C Bonds by Section 34177.5(g) of the California Health and Safety Code on moneys deposited or available for deposit from time to time in the Redevelopment Property Tax Trust Fund, provided, however, that such pledge and lien shall only be with respect to (i) the amounts on deposit in the Redevelopment Property Tax Trust Fund constituting Tax Revenues and (ii) the amounts that are available in the Redevelopment Property Tax Trust Fund, but only after amounts on deposit therein have been set aside and reserved, in the manner required in the applicable loan agreements, indentures, owner participation agreements, development agreements and other relevant documents now in existence or hereinafter executed, to make payments due on the indebtedness of the Former Agency and the Successor Agency. Further, except as set forth in the preceding sentence, the Bonds and any Parity Debt are secured by the pledge and lien created with respect to the Bonds and any Parity Debt by Section 34177.5(g) of the California Health and Safety Code on moneys deposited or available for deposit from time to time in the Redevelopment Property Tax Trust Fund on a basis senior to all bonds issued by the Successor Agency, unless otherwise expressly specified in connection with the issuance of such bonds. Except for the Tax Revenues and such moneys, no funds of the Successor Agency are pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds and any Parity Debt.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Special Fund; Deposit of Tax Revenues. There is hereby established a special fund to be known as the "Mission Bay Housing Projects 2017 Series C Special Fund" which is to be held by the Successor Agency and which shall be known as the "Special Fund". The Successor Agency shall transfer all of the Tax Revenues received in any Bond Year ratably to the Special Fund, to the special funds and the special funds created with respect to any additional Parity Debt, promptly upon receipt thereof by the Successor Agency, until such time during such Bond Year as the amounts on deposit in the Special Fund equal the aggregate

amounts required to be transferred for deposit in such Bond Year (i) for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to Section 4.03 hereof and (ii) with respect to any additional Parity Debt (other than additional Bonds issued pursuant to a Supplemental Indenture) pursuant to the applicable Parity Debt Instruments. If the amount of Tax Revenues available in such Bond Year shall be insufficient to deposit the full amount required to be deposited pursuant to subsections (i) and (ii) of this paragraph, then the Successor Agency shall transfer such Tax Revenues for deposit pro rata based on the full amounts required to be so deposited.

All Tax Revenues received by the Successor Agency during any Bond Year in excess of the amount required to be deposited in the Special Fund and the other special funds mentioned in the preceding paragraph during such Bond Year pursuant to the preceding paragraph of this Section 4.02 shall be released from the pledge, security interest and lien hereunder for the security of the Bonds and any additional Parity Debt and may be applied by the Successor Agency for any lawful purpose of the Successor Agency, including but not limited to the payment of Subordinate Debt, or the payment of any amounts due and owing to the United States of America pursuant to Section 5.14. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indenture or Parity Debt Instrument, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in this Indenture and in any Supplemental Indenture or Parity Debt Instrument.

Section 4.03. Deposit of Amounts by Trustee. There is hereby established a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee hereunder in trust. Moneys in the Special Fund shall be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are hereby established in the Debt Service Fund, and in the following order of priority (provided that, if on the date the Successor Agency is required to transfer amounts on deposit in the Special Fund to the Trustee there are not amounts on deposit therein sufficient to make the following deposits, taking into accounts amounts required to be transferred with respect to Parity Debt other than Bonds, the Successor Agency shall immediately notify the Trustee of the amount of any such insufficiency):

(a) Interest Account. On or before the fifth (5th) Business Day preceding each Interest Payment Date, commencing with the Interest Payment Date of August 1, 2017, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee, for deposit in the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to this Indenture).

(b) Principal Account. On or before the fifth (5th) Business Day preceding August 1 in each year beginning August 1, [2017], the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when

added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next August 1 on all of the Outstanding Serial Bonds and Term Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as the same shall become due and payable.

(c) Reserve Account. The Trustee shall also establish, maintain and hold in trust, a separate subaccount within the Reserve Account designated as the "2017 Reserve Subaccount," to which the 2017 Series C Reserve Insurance Policy shall be credited. Amounts, if any, drawn on the 2017 Series C Reserve Insurance Policy shall be available only to pay debt service on the 2017 Series C Bonds. The provisions governing the administration of the 2017 Series C Reserve Insurance Policy are set forth in the 2017 Series C Financial Guaranty Agreement. Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2017 Series C Reserve Insurance Policy or to fund the Reserve Account with cash if, at any time that the 2017 Series C Bonds are Outstanding, amounts are not available under the 2017 Series C Reserve Insurance Policy other than in connection with the replenishment of a draw on the 2017 Series C Reserve Insurance Policy.

Except as provided above, in the event that the amount on deposit in the Reserve Account at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of such fact. Promptly upon receipt of any such notice, the Successor Agency shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. If there shall then not be sufficient Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency shall be obligated to continue making transfers as Tax Revenues become available in the Special Fund until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts, or for the retirement or defeasance of the Bonds then Outstanding (as may be permitted herein), except that so long as the Successor Agency is not in default hereunder, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before the fifth (5th) Business Days preceding each February 1 and August 1, and the date of redemption or defeasance of any Bonds, by the Trustee and deposited in the Interest Account or, in the case of the redemption or defeasance of Bonds, also in the Principal Account or an escrow account established for the defeasance of any of the Bonds. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred either (i) to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to this Section 4.03 or, (ii) if the Successor Agency shall have caused to be transferred to the Trustee an amount sufficient to make the deposits required by this Section 4.03, then to the Successor Agency.

The Successor Agency shall have the right at any time to direct the Trustee to release funds from the Reserve Account, in whole or in part, by tendering to the Trustee: (i) a Qualified

Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the 2017 Series C Bonds or any other Bonds the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the Successor Agency to the Trustee of written calculation of the amount permitted to be released from the Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Successor Agency to be used for any lawful purpose that does not adversely affect the exclusion from gross income for federal income tax purposes of interest on any of the Bonds. The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this subsection (d). Upon the expiration of any Qualified Reserve Account Credit Instrument, the Successor Agency shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first available Tax Revenues.

In the event that a Qualified Reserve Account Credit Instrument delivered with respect to a series of Bonds is available to be drawn upon for only one particular issue of Bonds, a separate subaccount in the Reserve Account may be established for such issue, and the calculation of the Reserve Requirement with respect to all other Bonds shall exclude the debt service on such issue of Bonds, and the Bonds secured by such Qualified Reserve Account Credit Instrument shall not have access to any other amounts on deposit in the Reserve Account except as expressly provided in the applicable Supplemental Indenture. Additionally, the Reserve Account may be maintained in the form of one combined Reserve Account or in the form of one more separate sub-accounts which are established for the purpose of holding the proceeds of separate issues of Bonds in conformity with applicable provisions of the Code to the extent directed by the Successor Agency in writing to the Trustee.

If the Reserve Requirement with respect to a series of Bonds is being maintained partially in cash and Permitted Investments and partially with a Qualified Reserve Account Credit Instrument, the cash and Permitted Investments shall be first used to meet any deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture, and the Qualified Reserve Account Credit Instrument shall be replenished first before the cash in such subaccount is replenished. If the Reserve Requirement with respect to a series of Bonds is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture shall be pro-rata with respect to each such instrument.

Prior to drawing on the Reserve Account in order to make a payment of debt service on the Bonds, the Trustee shall notify the Successor Agency.

(d) Redemption Account. On or before the Business Day preceding any date on which Bonds are to be redeemed pursuant to Section 2.03(a), the Trustee shall withdraw from the Debt Service Fund any amount transferred by the Successor Agency pursuant to Section 2.03(a) for deposit in the Redemption Account, such amount being the amount required to pay

the principal of and premium, if any, on the 2017 Series C Bonds and other Bonds to be redeemed on such date pursuant to Section 2.03(a) or a similar provision of a Supplemental Indenture. All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the 2017 Series C Bonds and on other Bonds to be redeemed pursuant to Section 2.03(a) or a similar provision of a Supplemental Indenture on the date set for such redemption. Interest due on the 2017 Series C Bonds or such other Bonds to be redeemed on the date set for redemption shall, if applicable, be paid from funds available therefor in the Interest Account. Notwithstanding the foregoing, at any time prior to giving notice of redemption of any such 2017 Series C Bonds or such other Bonds, the Trustee may, at the direction of the Successor Agency, apply amounts deposited or otherwise to be deposited in the Redemption Account to the purchase of all or a portion of the 2017 Series C Bonds or such other Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest on such 2017 Series C Bonds or other Bonds, which is payable from the Interest Account) as shall be directed by the Successor Agency.

Section 4.04. Claims Upon the 2017 Series C Bond Insurance Policy: Rights of the 2017 Series C Insurer . [to come]

Section 4.05. Claims Upon the 2017 Series C Reserve Insurance Policy: Additional Rights of the 2017 Insurer with respect to the 2017 Series C Reserve Insurance Policy. [to come]

ARTICLE V

OTHER COVENANTS OF THE SUCCESSOR AGENCY

Section 5.01. Punctual Payment. The Successor Agency shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds together with the premium thereon, if any, in strict conformity with the terms of the Bonds and of this Indenture. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture, all Supplemental Indentures and the Bonds. Nothing herein contained shall prevent the Successor Agency from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02. Limitation on Additional Indebtedness; Against Encumbrances. The Successor Agency hereby covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues, excepting only the 2017 Series C Bonds, any Parity Debt and any Subordinate Debt. The Successor Agency will not otherwise encumber, pledge or place any charge or lien upon any of the Tax Revenues or other amounts pledged to the Bonds superior or equal to the pledge and lien herein created for the benefit of the Bonds.

Section 5.03. Extension of Payment. The Successor Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Successor Agency, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Payment of Claims. The Successor Agency shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

Section 5.05. Books and Accounts; Financial Statements. The Successor Agency shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Successor Agency and the City and County, in which complete and correct entries shall be made of all transactions relating to the Redevelopment Project, the Tax Revenues and the Special Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of any Insurer and the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Successor Agency will cause to be prepared, within one hundred and eighty (180) days after the close of each Fiscal Year so long as the Bonds are Outstanding, complete

audited financial statements with respect to such Fiscal Year showing the Tax Revenues, all disbursements of Tax Revenues and the financial condition of the Redevelopment Project, including the balances in all funds and accounts relating to the Redevelopment Project, as of the end of such Fiscal Year. The Successor Agency shall promptly furnish a copy of such financial statements to the Trustee and any Insurer at no expense and to any Owner upon reasonable request and at the expense of such Owner. The Trustee shall have no obligation to review any financial statements provided to it by the Successor Agency.

Section 5.06. Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the Closing Date with respect to the 2017 Series C Bonds, the 2017 Series C Bonds shall be incontestable by the Successor Agency.

Section 5.07. Payments of Taxes and Other Charges. Except as otherwise provided herein, the Successor Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges which may hereafter be lawfully imposed upon the Successor Agency or the properties then owned by the Successor Agency in the Redevelopment Project, or upon the revenues therefrom when the same shall become due. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said taxes, assessments or charges. The Successor Agency will duly observe and conform with all valid requirements of any governmental authority relative to the Redevelopment Project or any part thereof.

Section 5.08. Taxation of Leased Property. All amounts derived by the Successor Agency pursuant to Section 33673 of the Law with respect to the lease of property for redevelopment shall be treated as Tax Revenues for all purposes of this Indenture.

Section 5.09. Disposition of Property. The Successor Agency will not participate in the disposition of any land or real property in the Project Area to anyone which will result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by the Redevelopment Plan in effect on the date of issuance of the 2017 Series C Bonds) so that such disposition shall, when taken together with other such dispositions, aggregate more than ten percent (10%) of the land area in the Project Area unless such disposition is permitted as hereinafter provided in this Section 5.09. If the Successor Agency proposes to participate in such a disposition, it shall thereupon appoint an Independent Redevelopment Consultant to report on the effect of said proposed disposition. If the Report of the Independent Redevelopment Consultant concludes that the security of the Bonds, or the rights of the Agency, the Bond Owners and the Trustee hereunder will not be materially impaired by said proposed disposition, the Successor Agency may thereafter make such disposition. If said Report concludes that such security will be materially impaired by said proposed disposition, the Successor Agency shall disapprove said proposed disposition.

Section 5.10. Maintenance of Tax Revenues. The Successor Agency shall comply with all requirements of the Law to ensure the allocation and payment to it of the Tax Revenues, including without limitation the timely filing of any necessary statements of indebtedness with appropriate officials of the City and County and, in the case of amounts payable by the State, appropriate officials of the State. The Successor Agency shall not undertake proceedings for amendment of the Redevelopment Plan if such amendment shall result in payments to one or more taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless the Successor

Agency shall first obtain a written opinion of an Independent Redevelopment Consultant that such payments will not adversely impair the Successor Agency's ability to pay debt service on the Bonds. Additionally, the Successor Agency shall not approve any amendment to the Redevelopment Plan which would, in and of itself, cause the amount of Tax Revenues available to the Successor Agency for application hereunder in any succeeding Fiscal Year to fall below 125% of Maximum Annual Debt Service without the written consent of the Insurers, if any.

Section 5.11. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriter (as defined in the Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 5.12. Compliance with the Dissolution Act. The Successor Agency acknowledges that, due to the passage of Dissolution Act, it will need to take certain actions to ensure that it collects sufficient Tax Revenues to make the deposits as and when required to be made into the Special Fund pursuant to Section 4.02 of this Indenture, and in order to ensure the payment of debt service on the Bonds, including the 2017 Series C Bonds, on a timely basis. The Successor Agency covenants that it will take all such actions as required to make the deposits as and when required to be made into the Special Fund pursuant to Section 4.02 of this Indenture, and to make the timely payment of debt service on the Bonds. The Successor Agency further acknowledges that the provisions of the Dissolution Act require that it establish the Redevelopment Obligation Retirement Fund, into which all Tax Revenues are required to be deposited. The Successor Agency has heretofore established the Redevelopment Obligation Retirement Fund as required by Section 34170.5(a) of the California Health and Safety Code, and covenants that it shall continue to hold and maintain the Redevelopment Obligation Retirement Fund so long as any of the Bonds are Outstanding. The Successor Agency hereby agrees that it will hold the Special Fund, as well as the special funds established with respect to any future Parity Debt, as an account within Redevelopment Obligation Retirement Fund and will continue to deposit all Tax Revenues, as and when received, into the Special Fund and such other special funds as required by Section 4.02 hereof in order to ensure that all Tax Revenues are available for the payment of debt service on the Bonds and any other Parity Debt on a timely basis.

These actions will include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and State Department of Finance the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act, that are necessary to comply with this Indenture. In particular, for so long as any Existing Loans remain outstanding, (a) the Successor Agency will place on the Recognized Obligation Payment Schedules relating to the June 1 disbursement date an amount sufficient, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the 2017 Series C Bonds and any Parity Debt on such dates or on deposit in the Special Fund or in the special fund relating to any Parity Debt, to pay debt service on the 2017 Series C Bonds and any Parity Debt on the immediately succeeding August 1 and February 1, and (b) if

the Successor Agency determines it is necessary to do so to ensure receiving sufficient Pledged Tax Revenues to pay debt service on the 2017 Series C Bonds and any Parity Debt on a timely basis, the Successor Agency will place on Recognized Obligation Payment Schedules relating to the January 2 disbursement date amounts required to pay debt service on the 2017 Series C Bonds and any Parity Debt on the next succeeding February 1 or August 1. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Bonds, the Successor Agency may also collect on each June 1 a reserve to be held for debt service on the Bonds on June 1 of the next succeeding calendar year.

The Successor Agency also covenants to calculate the amount of Tax Revenues received during each six-month period, as described above, to ensure that Tax Revenues are properly credited to and deposited in the Special Fund, as required by Section 4.02 of this Indenture.

Section 5.13. Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

ARTICLE VI

THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Successor Agency may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the Successor Agency has knowledge that the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the Successor Agency to the Trustee, with a copy to and any Insurer, whereupon the Successor Agency shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation 30 days prior to the proposed effective date thereof to the Successor Agency and by giving the Owners and any Insurer notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing, with notice of such appointment to be furnished to any Insurer and any Insurer.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of the giving of notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Successor Agency for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing, acknowledging and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties

and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall cause either the predecessor Trustee or the successor Trustee to mail a notice of the succession of such Trustee to the trusts hereunder to each rating agency which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books.

(e) If an Event of Default hereunder occurs with respect to any Bonds of which the Trustee has been given or is deemed to have notice, as provided in Section 6.03(e) hereof, then the Trustee shall immediately give written notice thereof, by first-class mail to the any Insurer and the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice; provided, however, that unless such Event of Default consists of the failure by the Successor Agency to make any payment when due, the Trustee shall, within thirty (30) days of the Trustee's knowledge thereof, give such notice to any Insurer, and the Trustee, with the consent of any Insurer may elect not to give such notice if and so long as the Trustee in good faith determines that it is in the best interests of the Bond Owners not to give such notice.

(f) The Successor Agency agrees that, so long as any Bonds or any Parity Debt are Outstanding, the Trustee shall be a financial institution having a trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$75,000,000, and subject to supervision or examination by federal or state authority. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (f), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

Section 6.02. Merger or Consolidation. Any bank or trust company into which the Trustee may be merged or converted or with which may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or trust company shall be eligible under subsection (e) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds or the tax status of interest thereon nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(c) The Trustee shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or misconduct of the Trustee. Where the Trustee is given the permissive right to do things enumerated in this Indenture, such right shall not be construed as a mandatory duty.

(d) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer shall have actual knowledge thereof, or shall have received written notice thereof from the Successor Agency at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no Event of Default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by any other party of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Successor Agency's certificates to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Tax Revenues into the Special Fund and the investment and application of moneys on deposit in the Special Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

(e) The Trustee shall have no liability or obligation to the Bondowners with respect to the payment of debt service on the Bonds by the Successor Agency or with

respect to the observance or performance by the Successor Agency of the other conditions, covenants and terms contained in this Indenture, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Successor Agency pursuant to this Indenture or otherwise.

(f) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and the Trustee shall not be responsible for any intentional misconduct or negligence on the part of any agent, attorney or receiver appointed with due care by it hereunder.

(h) The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(i) Before taking any action under Article VIII or this Article at the request of the Owners or any Insurer, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners or any Insurer for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

Section 6.04. Right to Rely on Documents and Opinions. The Trustee shall have no liability in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, facsimile transmission, electronic mail, or other paper or document reasonably believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Trustee, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant or Independent Redevelopment Consultant appointed by the Successor Agency.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of and copying by the Successor Agency and any Insurer and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Successor Agency and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a lien on the Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The Successor Agency further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense and liabilities which it may incur to the extent arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Deposit and Investment of Moneys in Funds. Moneys in the the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account, the Redemption Account and the Costs of Issuance Fund, and any funds or account established in connection with the issuance of Parity Debt, shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Written Request of the Successor Agency filed with the Trustee, except that moneys in the Reserve Account shall not be invested in Permitted Investments having a maturity of more than five (5) years, unless any such Permitted Investment is described in clause (d) of the definition thereof. In the absence of any such Written Request of the Successor Agency, the Trustee shall invest any such moneys in Permitted Investments described in clause (e) of the definition thereof, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. The Trustee shall be entitled to rely conclusively upon the written instructions of the Successor Agency directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. With respect to any restrictions set forth in the above list which embody legal conclusions (e.g., the existence, validity and perfection of security interests in collateral), the Trustee shall be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of such Permitted Investment obtained at the Successor Agency's expense. Moneys in the Special Fund may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All

interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder shall be deposited in the Interest Account; *provided, however*, that all interest or gain from the investment of amounts in the Reserve Account shall be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the Reserve Account to equal the Reserve Requirement. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made at the direction of the Successor Agency or otherwise made in accordance with this Section. For investment purposes only, the Trustee may commingle the funds and accounts established hereunder, but shall account for each separately.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency monthly cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Successor Agency for earnings derived from funds that have been invested.

Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code shall be valued by the Successor Agency at their present value (within the meaning of section 148 of the Code). Investments on deposit in the Reserve Account shall be valued on June 30 of each year at their market value.

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which accurate entries shall be made of all transactions relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, on at least a monthly basis, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

Section 6.09. Other Transactions with Agency. The Trustee, either as principal or agent, may engaged in or be interested in any financial or other transaction with the Successor Agency.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Amendment With And Without Consent of Owners. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption without the consent of any Owners, to the extent permitted by law, but only for any one or more of the following purposes -

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Successor Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or

(c) to provide for the issuance of Parity Debt in accordance with Section 3.06; or

(d) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of Bond Counsel; or

(e) to comply with the requirements of a provider of a Qualified Reserve Account Credit Instrument.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of any other and the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest, or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of any Insurer or the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In no event shall any Supplemental Indenture modify any of the rights or obligations of any Insurer without its prior written consent.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and

obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may, with the prior written consent of any Insurer, determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Principal Corporate Trust Office of the Trustee, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond and, provided further that written consent to such amendment shall first be obtained from any Insurer.

Section 7.05. Opinion of Counsel. Prior to executing any Supplemental Indenture, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such Supplemental Indenture under this Indenture have been satisfied and such Supplemental Indenture is authorized and permitted under this Indenture and does not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or adversely affect the exemption of interest on the Bonds from personal income taxation by the State.

Section 7.06. Copy of Supplemental Indenture to S&P and Moody's. The Successor Agency shall provide to S&P and Moody's, for so long as S&P and Moody's, as the case may be, maintain a rating on any of the Bonds (without regard to any municipal bond or financial guaranty insurance), a copy of any Supplemental Indenture at least 15 days prior to its proposed effective date.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of thirty (30) days following receipt by the Successor Agency of written notice from the Trustee or any Insurer or written notice from any Owner (with a copy of said notice delivered to the Trustee and any Insurer) of the occurrence of such default, provided that if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency (with the prior written consent of any Insurer) within such thirty (30) day period and the Successor Agency thereafter diligently and in good faith cures such failure in a reasonable period of time as approved by any Insurer; or

(c) If the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition by the Successor Agency seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition by the Successor Agency, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

In determining whether an Event of Default has occurred under (a) above, no effect shall be given to payments made under any municipal bond insurance policy, financial guaranty insurance policy or Qualified Reserve Account Credit Instrument.

If an Event of Default has occurred under this Section and is continuing, the Trustee, may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bond Owners in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to any Insurer and to the Successor Agency by telephone promptly confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee shall, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall, with the written consent of a majority in aggregate principal amount of the Owners of the Bonds, deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to any Insurer and the Owners of all Bonds then Outstanding, and with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture (including the Trustee's share of any Tax Revenues) and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees, expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, as applicable, with interest on the overdue principal, and

installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority, ratably to the aggregate of such principal and interest.

Section 8.03. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 8.04. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Successor Agency, the Trustee and any Insurer written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.05. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Tax Revenues and other amounts pledged hereunder, the principal of and interest and redemption premium (if any) on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or

impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law and the Refunding Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.06. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds or Parity Debt shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, *provided, however,* the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Section 8.07. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or the Refunding Law or any other law.

Section 8.08. Determination of Percentage of Bond Owners. Whenever in this Indenture the consent, direction or other action is required or permitted to be given or taken by a percentage of the Owners of an aggregate principal amount of Outstanding Bonds (including by the Owners of a majority in aggregate principal amount of the Outstanding Bonds), such percentage shall be calculated on the basis of the principal amount of the Outstanding Bonds determined as of the next succeeding Interest Payment Date.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, any Insurer, the Trustee and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, any Insurer and the Owners. To the extent that this Indenture confers upon or gives or any Insurer any right, remedy or claim under or by reason of this Indenture, such Insurer is hereby explicitly recognized as being third-party beneficiaries hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Indenture. (a) If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing with the Trustee or an escrow agent, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal, interest and redemption premiums, or;

(iii) by irrevocably depositing with the Trustee or an escrow agent, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion thereof (including all principal, interest and redemption premiums) at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Section 2.03(c) or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (a) the covenants of the Successor Agency hereunder with

respect to the Code, (b) the obligation of the Trustee to transfer and exchange Bonds hereunder, (c) the obligations of the Successor Agency under Section 6.06 hereof, and (d) the obligation of the Successor Agency to pay or cause to be paid to the Owners (or any Insurer), from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee and any Insurer all fees, expenses and costs of the Trustee and any Insurer. In the event the Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Successor Agency.

(b) Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due of the Bonds is paid by any Insurer pursuant to its municipal bond or financial guaranty insurance policy, such Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Successor Agency, and the assignment and pledge of the Tax Revenues and other assets hereunder and all covenants, agreements and other obligations of the Successor Agency to the Bond Owners so paid shall continue to exist and shall run to the benefit of such Insurer, and such Insurer shall be subrogated to the rights of such Bond Owners, as applicable.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by such Owner's attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any demand, request, direction, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee and in accordance therewith, provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the Successor Agency unless the Successor Agency is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction,

consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Successor Agency or the and County (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the Successor Agency shall be individually or personally liable for the payment of the principal or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.07. Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee shall destroy such bonds and upon request of the Successor Agency provide the Successor Agency a certificate of destruction. The Successor Agency shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.08. Notices. (a) Any notice, request, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or upon receipt when mailed by first class, registered or certified mail, postage prepaid, or sent by facsimile, addressed as follows:

If to the Successor Agency:	Successor Agency to the Redevelopment Agency of the City and County of San Francisco 1 South Van Ness Avenue, 5 th Floor San Francisco, CA 94103 Attention: Executive Director
-----------------------------	--

If to the Trustee:	U.S. Bank National Association Attn.: Global Corporate Trust Services One California Street, Suite 1000 San Francisco, CA 94111 Fax: 415-677-3768
--------------------	---

The Successor Agency and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The Successor Agency hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Treasurer of the Successor Agency in trust for the benefit of the Owners. The Successor Agency covenants for the direct benefit of the Owners that its Treasurer in such case

shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 9.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on such Bonds.

Section 9.11. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.12. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO has caused this Indenture to be signed in its name by its Deputy Director, Finance and Administration, and U.S. BANK NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

By: _____
Deputy Director,
Finance and Administration

**U.S. BANK NATIONAL ASSOCIATION,
*as Trustee***

By: _____
Authorized Officer

EXHIBIT A

(FORM OF 2017 SERIES C BOND)

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2017 SERIES C TAXABLE TAX ALLOCATION BONDS
(MISSION BAY NEW MONEY AND REFUNDING HOUSING PROJECTS)**

INTEREST RATE: MATURITY DATE: DATED DATE: CUSIP:
August 1, _____ [Closing Date]

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before July 15, 2017, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing August 1, 2017 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable upon surrender of this Bond at the corporate trust office of U.S. Bank National Association in St. Paul, Minnesota, as trustee (the "Trustee"), or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of

interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects)" (the "Bonds"), of an aggregate principal amount of _____ Million _____ Hundred _____ Thousand Dollars (\$_____), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, or redemption and other provisions) and all issued pursuant to the provisions of the Section 34177.5 of the California Health and Safety Code, the Community Redevelopment Law, being Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code of the State of California (the "Law"), and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law"), and pursuant to an Indenture of Trust, dated as of March 1, 2017, entered into by and between the Successor Agency and the Trustee (the "Indenture"), providing for the issuance of the Bonds. The Bonds are being issued in the form of registered Bonds without coupons. Additional bonds or other obligations may be issued on a parity with the Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law and the Refunding Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Tax Revenues (as that term is defined in the Indenture), and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The Bonds have been issued by the Successor Agency for the purpose of providing funds to finance and refinance affordable housing projects with respect to its Mission Bay North Redevelopment Project and its Mission Bay South Redevelopment Project and to pay certain expenses of the Successor Agency in issuing the Bonds.

The Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Tax Revenues, as such term is defined in the Indenture, and certain other funds deposited in the Redevelopment Property Tax Trust Fund of the Successor Agency.

There has been created and will be maintained by the Successor Agency, the Special Fund (as defined in the Indenture) into which Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the Bonds and any additional Parity Debt as defined in the Indenture. As and to the extent set forth in the Indenture, all such Tax Revenues and the moneys in the Special Fund (as such terms are defined in the Indenture) are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms hereof and the provisions of the Indenture and the Law and the Refunding Law, for the security and payment or redemption of, including any premium upon early redemption, and for the security and payment of interest on, the Bonds and any additional Parity Debt (as defined in

the Indenture). In addition, the Bonds shall be additionally secured at all times by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account and the Redemption Account (as such terms are defined in the Indenture). Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium, if any, on the Bonds.

The Bonds are subject to optional redemption and mandatory redemption from mandatory sinking fund payments as provided in the Indenture.

As provided in the Indenture, notice of redemption shall be given by first class mail no less than thirty (30) nor more than sixty (60) days prior to the redemption date to the Registered Owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books maintained by the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

The Successor Agency shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner and to the same recipients as the original notice of redemption was sent.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by its attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any Bond during the fifteen (15) days prior to the date established for the selection of Bonds for redemption, or (b) any Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt, liability or obligation of the City of and County of San Francisco, the State of California, or any of its political subdivisions, and neither said City and County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law, the Refunding Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law, the Refunding Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Deputy Director, Finance and Administration and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director, Finance and
Administration

ATTEST:

Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____	Custodian _____
TEN ENT --	as tenants by the entireties	(Cust.)	(Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____	(State)
COMM PROP --	as community property		

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)
the within-registered Bond and hereby irrevocably constitute(s) and appoints(s)
_____ attorney,
to transfer the same on the registration books of the Trustee with full power of substitution in the
premises.

Dated: _____

Signatures Guaranteed:

Note: _____
Signature(s) must be guaranteed by an eligible guarantor.

Note: _____
The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

[STATEMENT OF INSURANCE]

EXHIBIT C

FORM OF PROJECT FUND DISBURSEMENT REQUEST

DISBURSEMENT REQUEST NO.: _____

U.S. Bank National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, CA 94111
Fax: 415-677-3768
Attention: Global Corporate Trust Services

Re: \$_____ Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects)

Ladies and Gentlemen:

In accordance with the terms of an Indenture of Trust, by and between you and the undersigned, dated as of March 1, 2017 (the "Indenture"), you are hereby authorized and requested to make immediate disbursement of funds held by you in the 2017 Series C Projects Fund for costs of financing affordable housing in accordance with the Redevelopment Plans, the Mission Bay North Owner Participation Agreement and the Mission Bay South Owner Participation Agreement (as defined in the Indenture) pursuant to Section 3.04 of the Indenture.

You are hereby requested to pay to the person(s), corporation(s) or other entity(ies) designated on Schedule A attached hereto as Payee(s), the sum set forth on said Schedule, in payment of all or a portion of the costs of the affordable housing described on said Schedule.

Dated: _____, 20__

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

By: _____
Title: _____

**AGREEMENT REGARDING
THE REDEMPTION, DEFEASANCE AND PAYMENT OF
2006 SERIES A BONDS AND 2006 SERIES A LOAN AGREEMENT**

By and Among

**CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING
AUTHORITY**

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Escrow Trustee**

Dated as of March 1, 2017

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SCHEDULE A - Escrowed Securities

EXHIBIT A - Refunded Bonds

**AGREEMENT REGARDING
THE REDEMPTION, DEFEASANCE AND PAYMENT OF
2006 SERIES A BONDS AND 2006 SERIES A LOAN AGREEMENT**

THIS AGREEMENT REGARDING THE REDEMPTION, DEFEASANCE AND PAYMENT OF 2006 SERIES A BONDS AND 2006 SERIES A LOAN AGREEMENT, dated as of March 1, 2017 (this "Agreement Regarding Redemption"), by and among the CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY, a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "Authority"), the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public entity existing under the laws of the State of California (the "Successor Agency"), as successor agency to the Redevelopment Agency of the City and County of San Francisco (the "Former Agency"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and existing under the laws of the United States of America, as escrow trustee (the "Escrow Trustee").

W I T N E S S E T H:

WHEREAS, the Successor Agency is, simultaneously with the execution of this Agreement Regarding Redemption, issuing \$_____ aggregate principal amount of its 2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects) (the "2017 Series C Bonds");

WHEREAS, the 2017 Series C Bonds are being issued, in part, for the purpose of providing moneys to refund a portion of the outstanding 2006 Series A Bonds (as hereinafter defined) and provide for the prepayment of the amounts owed by the Successor Agency under the 2006 Series A Loan Agreement (as hereinafter defined);

WHEREAS, in order to accomplish the refunding of a portion of the 2006 Series A Bonds and the 2006 Series A Loan Agreement, the Successor Agency will deposit, or cause to be deposited, a portion of the proceeds of the 2017 Series C Bonds and certain other moneys of the Successor Agency with the Escrow Trustee in accordance with this Agreement Regarding Redemption; and

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

Section 1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Agreement Regarding Redemption shall have the respective meanings which such terms are given in Section 1.01 of the Indenture (hereinafter defined). In addition, the following terms defined in this Section 1 shall, for all purposes of this Agreement Regarding Redemption, have the respective meanings herein specified.

"Eligible Securities" shall have the meaning assigned to such term in Section 3 hereof.

"Escrowed Securities" shall have the meaning assigned to such term in Section 3 hereof.

"**Indenture**" means the Indenture of Trust, dated as of March 1, 2017, by and between the Successor Agency and U.S. Bank National Association, as trustee thereunder, relating to the issuance of the 2017 Series C Bonds.

"**Refunded 2006 Series A Bonds**" means the 2006 Series A Bonds being refunded hereby, as identified in Exhibit A hereto.

"**2006 Series A Bonds**" means the Authority's \$50,731,330.80 initial aggregate principal amount of 2006 Series A Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects).

"**2006 Series A Indenture**" means the Indenture of Trust dated as of August 1, 2006, between the Authority and The Bank of New York Trust Company, N.A., now known as The Bank of New York Mellon Trust Company, N.A., as trustee.

"**2006 Series A Loan Agreement**" means the Loan Agreement dated as of August 1, 2006, by and among the Former Agency, The Bank of New York Trust Company, N.A., now known as The Bank of New York Mellon Trust Company, N.A., as trustee, and the Authority relating to the Mission Bay North Redevelopment Project Area and entered into in connection with the 2006 Series A Bonds.

Section 2. Creation of Escrow Fund. There is hereby created and established with the Escrow Trustee a special and irrevocable escrow fund designated "2006 Series A Escrow Fund" (the "Escrow Fund") to be held in the custody of the Escrow Trustee in trust under this Agreement Regarding Redemption for the benefit of the beneficial owners of the Refunded 2006 Series A Bonds.

Moneys on deposit in the Escrow Fund shall be held in the custody of the Escrow Trustee solely for the benefit of the owners of the Refunded 2006 Series A Bonds. Except to the extent of any excess to be released as provided in Section 12 hereof, neither the Authority nor the Successor Agency shall have any interest in the funds held in the Escrow Fund. The moneys held hereunder shall be irrevocably pledged and set aside for the payment of the Refunded 2006 Series A Bonds and the 2006 Series A Loan Agreement as provided in Section 6 hereof.

Section 3. Deposit to the Escrow Fund. [DISCUSS USE OF RESCINDABLE NOTICE TO SHORTEN ESCROW PERIOD] Concurrently with the execution and delivery of this Agreement Regarding Redemption, the Successor Agency shall deposit, or cause to be deposited, with the Escrow Trustee \$_____ to be derived from the proceeds of the 2017 Series C Bonds, \$_____ to be derived from funds held under reserve and debt service accounts established under the 2006 Series A Loan Agreement [and \$_____ of funds held by the Successor Agency], for a total deposit of \$_____, which amounts the Successor Agency hereby instructs the Escrow Trustee to hold and use as provided in this Agreement Regarding Redemption.

The Escrow Trustee shall, on _____, 2017, use \$_____ of such amounts to purchase the security listed on Schedule A attached hereto and made a part hereof (the "Escrowed Securities") (which security the Successor Agency represents are Eligible Securities as hereinafter defined) maturing on the dates and in the amounts necessary to make the transfers described in Section 6 hereof. The remaining \$_____ shall be held uninvested in cash.

For purposes of this Agreement Regarding Redemption, the term "Eligible Securities" means non-callable Federal Securities (as defined in the 2006 Series A Indenture), including, without limitation, State and Local Government Series issued by the United States Treasury ("SLGS"), United States Treasury bills, notes and bonds, as traded on the open market, and/or Zero Coupon Treasury Bonds ("STRIPS").

Section 4. Investment of Escrow Fund. The Escrow Trustee will purchase the Escrowed Securities in the name of the Escrow Trustee as provided in Section 3 above and will hold such Escrowed Securities, and any earnings received thereon and any reinvestment thereof in the Escrow Fund and disburse such amounts as provided herein. The Escrow Trustee shall collect amounts due and shall sell or otherwise liquidate investments in the Escrow Fund as needed to make the payments and transfers required by this Agreement Regarding Redemption and may sell, liquidate or otherwise dispose of the Escrowed Securities in accordance with Section 8 hereof and may substitute, upon the written direction of the Successor Agency, Eligible Securities subject to the terms and limitations of Section 8 hereof but otherwise shall have no power or duty to sell, transfer or otherwise dispose of the Escrowed Securities.

If the Escrow Trustee learns that the Department of the Treasury or the Bureau of Fiscal Service will not, for any reason, accept a subscription of SLGS that is to be submitted pursuant to this Agreement Regarding Redemption, the Escrow Trustee shall promptly request alternative written investment instructions from the Successor Agency with respect to funds which were to be invested in SLGS. The Escrow Trustee shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Trustee shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the Successor Agency. In the absence of investment instructions from the Successor Agency, the Escrow Trustee shall not be responsible for the investment of such funds or interest thereon. The Escrow Trustee may conclusively rely upon the Successor Agency's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

Section 5. Creation of Lien on Escrow Fund. The Escrow Fund created hereby shall be irrevocable, and the Escrow Trustee is hereby appointed to act for the benefit of the owners of the Refunded 2006 Series A Bonds, which are hereby granted an express lien on the Escrow Fund, and all moneys from time to time held therein, for the payment of amounts described in Section 6 below. The Escrow Trustee shall hold the moneys on deposit in the Escrow Fund separate and apart from, and not commingled with, any other moneys or investments.

Section 6. Use of Escrow Fund. The Escrow Trustee shall use the maturing Escrowed Securities, the interest earnings thereon, and amounts deposited in cash in the Escrow Fund to pay the redemption price of the Refunded 2006 Series A Bonds maturing on and after August 1, 2017, on _____, 2017. All amounts remaining in the Escrow Fund after the payment of all such debt service shall be transferred to or upon the direction of the Successor Agency and used to pay debt service on the 2017 Series C Bonds.

As a result of the deposit into and use of the Escrow Fund as described herein, all payment obligations of the Successor Agency under the 2006 Series A Loan Agreement have been discharged in full.

Section 7. Notice of Redemption. [The Escrow Trustee has heretofore mailed to the owners of the Refunded 2006 Series A Bonds a notice of redemption as required by the 2006 Series A Indenture.]

Section 8. Reinvestment; Substitution; Liquidation. Interest income and other amounts received by the Escrow Trustee as payments on the Escrowed Securities shall be held as part of the Escrow Fund to be used for the purposes set forth in Section 6 of this Agreement Regarding Redemption and shall be invested by the Escrow Trustee in Eligible Securities but only at the written direction of the Authority and the Successor Agency, provided that (i) such amounts may only be invested in Eligible Securities and (ii) such investments shall have maturities which do not extend beyond the date on which the moneys so invested will be needed to make the transfers required by Section 6 of this Agreement Regarding Redemption.

If the Successor Agency and the Authority, at any time, deliver to the Escrow Trustee written instructions instructing the Escrow Trustee to liquidate, sell or otherwise dispose of any or all securities or investments in the Escrow Fund, purchase or otherwise acquire Eligible Securities, and/or to release any moneys or securities therein to the Successor Agency, and further delivers to the Escrow Trustee, each of the following:

(a) a revised Schedule A (together with a certification by the Successor Agency that the securities or investments described therein are Eligible Securities); and

(b) a report of a nationally recognized firm of independent certified public accountants verifying that the securities or investments described on such Schedule A will provide moneys (excluding reinvestment earnings), available in both time and amount, to enable timely payment of all amounts required in accordance with Section 6; and

(c) an opinion of nationally recognized bond counsel to the effect that the liquidation, sale or other disposition of securities or investments in the Escrow Fund, the purchase or other acquisition of securities or investments and the deposit thereof in the Escrow Fund, or the release of amounts from the Escrow Fund as described in this Section 8 will not result in loss of the exemption of interest on any of the 2006 Series A Bonds or the 2017 Series C Bonds from State of California personal income taxes;

then the Escrow Trustee shall liquidate, sell or otherwise dispose of the securities in the Escrow Fund, shall purchase (or retain) the securities or investments described in such revised Schedule A and transfer to the Successor Agency, free and clear of the lien of this Agreement Regarding Redemption, any and all amounts in the Escrow Fund not required for the purchase of the investments described on such revised Schedule A, all in accordance with such instructions from the Successor Agency referred to above.

No such substitution of Escrowed Securities shall be effective without the prior written consent of the Insurer (as such term is defined in the 2006 Series A Indenture).

Section 9. Liability of Escrow Trustee. The Successor Agency hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to the extent permitted by law to indemnify, protect, save and keep harmless the Escrow Trustee and its respective successors, assigns, agents, officers, directors, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and

disbursements) of whatever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Trustee at any time (whether or not also indemnified against the same by the Successor Agency or by any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement Regarding Redemption, the establishment hereunder of the Escrow Fund, the acceptance of the funds deposited therein, and any payment, transfer or other application of moneys by the Escrow Trustee in accordance with the provisions of this Agreement Regarding Redemption; provided, however, that the Successor Agency shall not be required to indemnify the Escrow Trustee against the Escrow Trustee's own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Trustee's agents and employees or the willful breach by the Escrow Trustee of the terms of this Agreement Regarding Redemption. In no event shall the Successor Agency or the Escrow Trustee be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement Regarding Redemption and the resignation or removal of the Escrow Trustee.

The Escrow Trustee undertakes to perform only such duties as are expressly and specifically set forth in this Agreement Regarding Redemption and no implied duties or obligations shall be read into this Agreement Regarding Redemption against the Escrow Trustee.

The Escrow Trustee shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Trustee be liable for any special indirect or consequential damages.

The Escrow Trustee may consult with counsel of its own choice and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action hereunder in accordance with such opinion of counsel.

The Escrow Trustee shall not be responsible for any of the recitals or representations contained herein.

Whenever in the administration of this Agreement Regarding Redemption the Escrow Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or willful misconduct on the part of the Escrow Trustee, be deemed to be conclusively proved and established by a certificate of an authorized representative of the Successor Agency, and such certificate shall, in the absence of negligence or willful misconduct on the part of the Escrow Trustee, be full warrant to the Escrow Trustee for any action taken or suffered by it under the provisions of this Agreement upon the faith thereof.

The Escrow Trustee may at any time resign by giving written notice 30 days' prior to the proposed effective date of the resignation to the Authority and the Successor Agency of such resignation. The Authority and the Successor Agency shall promptly appoint a successor Escrow Trustee by the resignation date. Resignation of the Escrow Trustee will be effective upon acceptance of appointment by a successor Escrow Trustee. If the Authority and the Successor Agency do not appoint a successor within 45 days of the Escrow Trustee's delivery of its notice of resignation, the Escrow Trustee may petition any court of competent jurisdiction for the appointment of a successor Escrow Trustee, which court may thereupon, after such

notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Trustee.

The liability of the Escrow Trustee to make the payments required by Agreement Regarding Redemption shall be limited to the cash in the Escrow Fund.

The Escrow Trustee shall not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys deposited with it to pay the principal, interest, or premiums, if any, on the Refunded 2006 Series A Bonds.

No provision of this Agreement Regarding Redemption shall require the Escrow Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

The Escrow Trustee may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Trustee, or another method or system specified by the Escrow Trustee as available for use in connection with its services hereunder); provided, however, that the Successor Agency shall provide to the Escrow Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Successor Agency whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Escrow Trustee Instructions using Electronic Means and the Escrow Trustee in its discretion elects to act upon such Instructions, the Escrow Trustee's understanding of such Instructions shall be deemed controlling. The Successor Agency understands and agrees that the Escrow Trustee cannot determine the identity of the actual sender of such Instructions and that the Escrow Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Trustee have been sent by such Authorized Officer. The Successor Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Trustee and that the Successor Agency and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Successor Agency. The Escrow Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Trustee, including without limitation the risk of the Escrow Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the

protections and risks associated with the various methods of transmitting Instructions to the Escrow Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Successor Agency; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 10. Sufficiency of Escrow. The Successor Agency agrees that if for any reason the moneys and other funds in the Escrow Fund are insufficient or otherwise unavailable to pay timely principal and premium of, and interest on, the Refunded 2006 Series A Bonds identified in Exhibit A hereto, the Successor Agency shall continue to be liable therefor in accordance with the terms of the indentures of trust relating to the Refunded 2006 Series A Bonds.

Section 11. Successor Escrow Trustee. Any corporation, bank or association into which the Escrow Trustee and the trust created by this Agreement Regarding Redemption may be merged or converted or with which it may be consolidated, or any corporation, bank or association resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Trustee shall be a party or any corporation, bank or association succeeding to all or substantially all of the corporate trust business of the Escrow Trustee, shall, if satisfactory to the Successor Agency, be the successor Escrow Trustee under this Agreement Regarding Redemption without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 12. Termination. This Agreement Regarding Redemption shall terminate when all transfers and payments required to be made by the Escrow Trustee under the provisions of Section 6 hereof shall have been made and any moneys remaining in the Escrow Fund at the time of such termination shall have been distributed to the Successor Agency and the Escrow Trustee has made a final report to the Successor Agency.

Section 13. [Reserved].

Section 14. Severability. If any one or more of the covenants and agreements provided in this Agreement Regarding Redemption on the part of the Successor Agency or the Escrow Trustee to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement Regarding Redemption.

Section 15. Successors and Assigns. All of the covenants and agreements in this Agreement Regarding Redemption contained by or on behalf of the Successor Agency, the Authority and the Escrow Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 16. Compensation of Escrow Trustee. For acting under this Agreement Regarding Redemption, the Escrow Trustee shall be entitled to payment of fees for its services and reimbursement of advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Escrow Trustee in connection with its services under this Agreement Regarding Redemption; however, such amount shall never be payable from or become a lien

upon the Escrow Fund, which fund shall be held solely for the purposes and subject to the lien set forth in Section 5 of this Agreement Regarding Redemption.

The Successor Agency covenants to indemnify and hold harmless the Escrow Trustee against any loss, liability or expense, including legal fees in connection with the performance of any of its duties hereunder, except the Escrow Trustee shall not be indemnified against any loss, liability or expense resulting from its negligence or willful misconduct. Such indemnification shall survive the termination of this Agreement Regarding Redemption.

Section 17. Governing Law. This Agreement Regarding Redemption shall be governed by the applicable laws of the State of California.

Section 18. Headings. Any headings preceding the text of the several Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement Regarding Redemption, nor shall they affect its meaning, construction or effect.

Section 19. Amendments. This Agreement Regarding Redemption may be amended or supplemented in writing by the Successor Agency, the Authority and the Escrow Trustee, but only if the Successor Agency and the Authority comply with the provisions of Section 8, if applicable. No such amendment or supplement shall affect the lien or application of amounts in the Escrow Fund for the payment of the Refunded 2006 Series A Bonds, as contemplated hereby, and shall not otherwise materially adversely affect the interests of the holders of the Refunded 2006 Series A Bonds, all as evidenced by an opinion of counsel delivered to the Escrow Trustee, unless the holders of a majority in aggregate principal amount of the Refunded 2006 Series A Bonds and the Insurer consent to such amendment or supplement.

Section 20. Counterparts. This Agreement Regarding Redemption may be signed in several counterparts, each of which will constitute an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the City and County of San Francisco Redevelopment Financing Authority, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco and The Bank of New York Mellon Trust Company, N.A., as Escrow Trustee, have each caused this Agreement Regarding Redemption to be executed, and The Bank of New York Mellon Trust Company, N.A., as trustee for the 2006 Series A Bonds, has caused this Agreement Regarding Redemption to be acknowledged, by their duly authorized officers as of the date first above written.

CITY AND COUNTY OF SAN FRANCISCO
REDEVELOPMENT FINANCING
AUTHORITY

By: _____
Treasurer

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director,
Finance and Administration

THE BANK OF NEW YORK TRUST
MELLON TRUST COMPANY, N.A., as
Escrow Trustee

By: _____
Authorized Officer

ACKNOWLEDGEMENT OF
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
AS TRUSTEE FOR THE 2006 SERIES A BONDS

The Bank of New York Mellon Trust Company, N.A., as Trustee for the 2006 Series A Bonds hereby acknowledges the provisions of this Agreement Regarding Redemption and, in particular, Section 7 hereof and, as such provisions are applicable to The Bank of New York Mellon Trust Company, N.A., in its capacity as Trustee for the 2006 Series A Bonds agrees to comply therewith. The Bank of New York Mellon Trust Company, N.A., as Trustee for the 2006 Series A Bonds, hereby also waives, pursuant to Section 2.03 of the 2006 Series A Loan Agreements, receipt of the forty-five day advance written notice of the Successor Agency's intention to prepay the outstanding loans made from the proceeds of the 2006 Series A Loan Agreements. This waiver is limited solely to the timing of which the Successor Agency's notice was required to be delivered to the Trustee under Section 2.03 of the 2006 Series A Loan Agreements. The Trustee is not waiving any other provision of the 2006 Series A Loan Agreements, or any provision of the 2006 Series A Indenture, under this waiver.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.
as Trustee for the 2006 Series A Bonds

By: _____
Authorized Officer

SCHEDULE A

Escrowed Securities

<u>Maturity</u>	Rate (%)	<u>Par Amount</u>	<u>Price (%)</u>	Purchase <u>Cost</u>	Accrued <u>Interest</u>	Total Purchase <u>Cost</u>
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EXHIBIT A

\$50,731,330.80
City and County of San Francisco
Redevelopment Financing Authority
2006 Series A Taxable Tax Allocation Revenue Bonds
(San Francisco Redevelopment Projects)

Pre-Refunded Bonds

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> <u>(Base: 79771P)</u>
2021*			D36
2036*			D44

_____, 2017 at a price of 100% of the principal amount thereof plus accrued interest thereon, without premium.

**AGREEMENT REGARDING
THE REDEMPTION, DEFEASANCE AND PAYMENT OF
2009 SERIES E BONDS AND 2009 SERIES E LOAN AGREEMENTS**

By and Among

**CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING
AUTHORITY**

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

and

**U.S. BANK NATIONAL ASSOCIATION,
as Escrow Trustee**

Dated as of March 1, 2017

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SCHEDULE A - Escrowed Securities

APPENDIX A - Notice of Defeasance

EXHIBIT A - Refunded Bonds

**AGREEMENT REGARDING
THE REDEMPTION, DEFEASANCE AND PAYMENT OF
2009 SERIES E BONDS AND 2009 SERIES E LOAN AGREEMENTS**

THIS AGREEMENT REGARDING THE REDEMPTION, DEFEASANCE AND PAYMENT OF 2009 SERIES E BONDS AND 2009 SERIES E LOAN AGREEMENTS, dated as of _____ 1, 2017 (this "Agreement Regarding Redemption"), by and among the CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY, a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "Authority"), the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public entity existing under the laws of the State of California (the "Successor Agency"), as successor agency to the Redevelopment Agency of the City and County of San Francisco (the "Former Agency"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as escrow trustee (the "Escrow Trustee").

W I T N E S S E T H:

WHEREAS, the Successor Agency is, simultaneously with the execution of this Agreement Regarding Redemption, issuing \$_____ aggregate principal amount of its 2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects) (the "2017 Series C Bonds");

WHEREAS, the 2017 Series C Bonds are being issued, in part, for the purpose of providing moneys to refund a portion of the outstanding 2009 Series E Bonds (as hereinafter defined) and provide for the prepayment of the amounts owed by the Successor Agency under the 2007 Series E Loan Agreements (as hereinafter defined);

WHEREAS, in order to accomplish the refunding of a portion of the 2009 Series E Bonds and the 2009 Series E Loan Agreements, the Successor Agency will deposit, or cause to be deposited, a portion of the proceeds of the 2017 Series C Bonds and certain other moneys of the Successor Agency with the Escrow Trustee in accordance with this Agreement Regarding Redemption; and

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

Section 1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Agreement Regarding Redemption shall have the respective meanings which such terms are given in Section 1.01 of the Indenture (hereinafter defined). In addition, the following terms defined in this Section 1 shall, for all purposes of this Agreement Regarding Redemption, have the respective meanings herein specified.

"Eligible Securities" shall have the meaning assigned to such term in Section 3 hereof.

"Escrowed Securities" shall have the meaning assigned to such term in Section 3 hereof.

"Indenture" means the Indenture of Trust, dated as of March 1, 2017, by and between the Successor Agency and U.S. Bank National Association, as trustee thereunder, relating to the issuance of the 2017 Series C Bonds.

"Refunded 2009 Series E Bonds" means the 2009 Series E Bonds being refunded hereby, as identified in Exhibit A hereto.

"2009 Series E Bonds" means the Authority's \$72,565,000 initial aggregate principal amount of 2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects).

"2009 Series E Indenture" means the Indenture of Trust dated as of December 1, 2009, between the Authority and U.S. Bank National Association, as trustee.

"2009 Series E Loan Agreements" means, collectively, the Loan Agreement dated as of December 1, 2009, by and among the Former Agency, U.S. Bank National Association, as trustee, and the Authority relating to the Mission Bay North Redevelopment Project Area and entered into in connection with the 2009 Series E Bonds, and the Loan Agreement dated as of December 1, 2009, by and among the Former Agency, U.S. Bank National Association, as trustee, and the Authority relating to the Mission Bay South Redevelopment Project Area and entered into in connection with the 2009 Series E Bonds.

Section 2. Creation of Escrow Fund. There is hereby created and established with the Escrow Trustee a special and irrevocable escrow fund designated "2009 Series E Escrow Fund" (the "Escrow Fund") to be held in the custody of the Escrow Trustee in trust under this Agreement Regarding Redemption for the benefit of the beneficial owners of the Refunded 2009 Series E Bonds.

Moneys on deposit in the Escrow Fund shall be held in the custody of the Escrow Trustee solely for the benefit of the owners of the Refunded 2009 Series E Bonds. Except to the extent of any excess to be released as provided in Section 12 hereof, neither the Authority nor the Successor Agency shall have any interest in the funds held in the Escrow Fund. The moneys held hereunder shall be irrevocably pledged and set aside for the payment of the Refunded 2009 Series E Bonds and the 2009 Series E Loan Agreements as provided in Section 6 hereof.

Section 3. Deposit to the Escrow Fund. Concurrently with the execution and delivery of this Agreement Regarding Redemption, the Successor Agency shall deposit, or cause to be deposited, with the Escrow Trustee \$_____ to be derived from the proceeds of the 2017 Series C Bonds \$_____ to be derived from funds held under reserve and debt service accounts established under the 2009 Series E Loan Agreements [and \$_____ of funds held by the Successor Agency], for a total deposit of \$_____, which amounts the Successor Agency hereby instructs the Escrow Trustee to hold and use as provided in this Agreement Regarding Redemption.

The Escrow Trustee shall, on _____, 2017, use \$_____ of such amounts to purchase the security listed on Schedule A attached hereto and made a part hereof (the "Escrowed Securities") (which security the Successor Agency represents are Eligible Securities as hereinafter defined) maturing on the dates and in the amounts necessary to make the transfers described in Section 6 hereof. The remaining \$_____ shall be held uninvested in cash.

For purposes of this Agreement Regarding Redemption, the term "Eligible Securities" means non-callable Defeasance Obligations (as defined in the 2009 Series E Indenture).

Section 4. Investment of Escrow Fund. The Escrow Trustee will purchase the Escrowed Securities in the name of the Escrow Trustee as provided in Section 3 above and will hold such Escrowed Securities, and any earnings received thereon and any reinvestment thereof in the Escrow Fund and disburse such amounts as provided herein. The Escrow Trustee shall collect amounts due and shall sell or otherwise liquidate investments in the Escrow Fund as needed to make the payments and transfers required by this Agreement Regarding Redemption and may sell, liquidate or otherwise dispose of the Escrowed Securities in accordance with Section 8 hereof and may substitute, upon the written direction of the Successor Agency, Eligible Securities subject to the terms and limitations of Section 8 hereof but otherwise shall have no power or duty to sell, transfer or otherwise dispose of the Escrowed Securities.

Section 5. Creation of Lien on Escrow Fund. The Escrow Fund created hereby shall be irrevocable, and the Escrow Trustee is hereby appointed to act for the benefit of the owners of the Refunded 2009 Series E Bonds, which are hereby granted an express lien on the Escrow Fund, and all moneys from time to time held therein, for the payment of amounts described in Section 6 below. The Escrow Trustee shall hold the moneys on deposit in the Escrow Fund separate and apart from, and not commingled with, any other moneys or investments.

Section 6. Use of Escrow Fund. The Escrow Trustee shall use the maturing Escrowed Securities, the interest earnings thereon, and amounts deposited in cash in the Escrow Fund to pay the principal and interest on the Refunded 2009 Series E Bonds to and including August 1, 2019, and the redemption price of the Refunded 2009 Series E Bonds maturing on and after August 1, 2020, on August 1, 2019. All amounts remaining in the Escrow Fund after the payment of all such debt service shall be transferred to or upon the direction of the Successor Agency and used to pay debt service on the 2017 Series C Bonds.

As a result of the deposit into and use of the Escrow Fund as described herein, all payment obligations of the Successor Agency under the 2009 Series E Loan Agreements have been discharged in full.

Section 7. Notice of Redemption. Not less than 30 days prior to August 1, 2019, the Escrow Trustee will mail to the owners of the Refunded 2009 Series E Bonds a notice of redemption as required by the 2009 Series E Indenture.

In addition to the notice of redemption referred to above, the Escrow Agent shall, within three (3) business days of receipt of the amounts set forth in Section 3 above, post a notice of defeasance relating to the Refunded 2009 Series E Bonds, in the form attached hereto as Appendix A, to the Municipal Securities Rulemaking Board Electronic Municipal Market Access (EMMA) system accessible at the emma.msrb.org website. The Escrow Trustee shall also send such notice of defeasance to the owners of the Refunded 2009 Series E Bonds.

Section 8. Reinvestment; Substitution; Liquidation. Interest income and other amounts received by the Escrow Trustee as payments on the Escrowed Securities shall be held as part of the Escrow Fund to be used for the purposes set forth in Section 6 of this Agreement Regarding Redemption and shall be invested by the Escrow Trustee in Eligible Securities but only at the written direction of the Authority and the Successor Agency, provided that (i) such

amounts may only be invested in Eligible Securities and (ii) such investments shall have maturities which do not extend beyond the date on which the moneys so invested will be needed to make the transfers required by Section 6 of this Agreement Regarding Redemption.

If the Successor Agency and the Authority, at any time, deliver to the Escrow Trustee written instructions instructing the Escrow Trustee to liquidate, sell or otherwise dispose of any or all securities or investments in the Escrow Fund, purchase or otherwise acquire Eligible Securities, and/or to release any moneys or securities therein to the Successor Agency, and further delivers to the Escrow Trustee, each of the following:

(a) a revised Schedule A (together with a certification by the Successor Agency that the securities or investments described therein are Eligible Securities);

(b) a report of a nationally recognized firm of independent certified public accountants verifying that the securities or investments described on such Schedule A will provide moneys (excluding reinvestment earnings), available in both time and amount, to enable timely payment of all amounts required in accordance with Section 6; and

(c) an opinion of nationally recognized bond counsel to the effect that the liquidation, sale or other disposition of securities or investments in the Escrow Fund, the purchase or other acquisition of securities or investments and the deposit thereof in the Escrow Fund, or the release of amounts from the Escrow Fund as described in this Section 8 will not result in loss of the exemption of interest on any of the 2009 Series E Bonds or the 2017 Series C Bonds from State of California personal income taxes;

then the Escrow Trustee shall liquidate, sell or otherwise dispose of the securities in the Escrow Fund, shall purchase (or retain) the securities or investments described in such revised Schedule A and transfer to the Successor Agency, free and clear of the lien of this Agreement Regarding Redemption, any and all amounts in the Escrow Fund not required for the purchase of the investments described on such revised Schedule A, all in accordance with such instructions from the Successor Agency referred to above.

Section 9. Liability of Escrow Trustee. The Successor Agency hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to the extent permitted by law to indemnify, protect, save and keep harmless the Escrow Trustee and its respective successors, assigns, agents, officers, directors, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Trustee at any time (whether or not also indemnified against the same by the Successor Agency or by any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement Regarding Redemption, the establishment hereunder of the Escrow Fund, the acceptance of the funds deposited therein, and any payment, transfer or other application of moneys by the Escrow Trustee in accordance with the provisions of this Agreement Regarding Redemption; provided, however, that the Successor Agency shall not be required to indemnify the Escrow Trustee against the Escrow Trustee's own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Trustee's agents and employees or the willful breach by the Escrow Trustee of the terms of this Agreement Regarding Redemption. In no event shall the Successor Agency or the Escrow Trustee be liable to any

person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement Regarding Redemption and the resignation or removal of the Escrow Trustee.

The Escrow Trustee undertakes to perform only such duties as are expressly and specifically set forth in this Agreement Regarding Redemption and no implied duties or obligations shall be read into this Agreement Regarding Redemption against the Escrow Trustee.

The Escrow Trustee shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Trustee be liable for any special indirect or consequential damages.

The Escrow Trustee may consult with counsel of its own choice and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action hereunder in accordance with such opinion of counsel.

The Escrow Trustee shall not be responsible for any of the recitals or representations contained herein.

Whenever in the administration of this Agreement Regarding Redemption the Escrow Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or willful misconduct on the part of the Escrow Trustee, be deemed to be conclusively proved and established by a certificate of an authorized representative of the Successor Agency, and such certificate shall, in the absence of negligence or willful misconduct on the part of the Escrow Trustee, be full warrant to the Escrow Trustee for any action taken or suffered by it under the provisions of this Agreement upon the faith thereof.

The Escrow Trustee may at any time resign by giving written notice 30 days' prior to the proposed effective date of the resignation to the Authority and the Successor Agency of such resignation. The Authority and the Successor Agency shall promptly appoint a successor Escrow Trustee by the resignation date. Resignation of the Escrow Trustee will be effective upon acceptance of appointment by a successor Escrow Trustee. If the Authority and the Successor Agency do not appoint a successor within 45 days, the Escrow Trustee may petition any court of competent jurisdiction for the appointment of a successor Escrow Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Trustee.

The liability of the Escrow Trustee to make the payments required by Agreement Regarding Redemption shall be limited to the cash in the Escrow Fund.

The Escrow Trustee shall not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys deposited with it to pay the principal, interest, or premiums, if any, on the Refunded 2009 Series E Bonds.

No provision of this Agreement Regarding Redemption shall require the Escrow Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

The Escrow Trustee may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Trustee, or another method or system specified by the Escrow Trustee as available for use in connection with its services hereunder); provided, however, that the Successor Agency shall provide to the Escrow Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Successor Agency whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Escrow Trustee Instructions using Electronic Means and the Escrow Trustee in its discretion elects to act upon such Instructions, the Escrow Trustee's understanding of such Instructions shall be deemed controlling. The Successor Agency understands and agrees that the Escrow Trustee cannot determine the identity of the actual sender of such Instructions and that the Escrow Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Trustee have been sent by such Authorized Officer. The Successor Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Trustee and that the Successor Agency and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Successor Agency. The Escrow Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Trustee, including without limitation the risk of the Escrow Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Successor Agency; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 10. Sufficiency of Escrow. The Authority agrees that if for any reason the moneys and other funds in the Escrow Fund are insufficient or otherwise unavailable to pay timely principal and premium of, and interest on, the Refunded 2009 Series E Bonds identified in Exhibit A hereto, the Authority shall continue to be liable therefor in accordance with the terms of the indentures of trust relating to the Refunded 2009 Series E Bonds.

Section 11. Successor Escrow Trustee. Any corporation, bank or association into which the Escrow Trustee and the trust created by this Agreement Regarding Redemption may be merged or converted or with which it may be consolidated, or any corporation, bank or association resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Trustee shall be a party or any corporation, bank or association succeeding to all or substantially all of the corporate trust business of the Escrow Trustee, shall, if satisfactory to the Successor Agency, be the successor Escrow Trustee under this Agreement Regarding Redemption without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 12. Termination. This Agreement Regarding Redemption shall terminate when all transfers and payments required to be made by the Escrow Trustee under the provisions of Section 6 hereof shall have been made and any moneys remaining in the Escrow Fund at the time of such termination shall have been distributed to the Successor Agency and the Escrow Trustee has made a final report to the Successor Agency.

Section 13. [Reserved].

Section 14. Severability. If any one or more of the covenants and agreements provided in this Agreement Regarding Redemption on the part of the Successor Agency or the Escrow Trustee to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement Regarding Redemption.

Section 15. Successors and Assigns. All of the covenants and agreements in this Agreement Regarding Redemption contained by or on behalf of the Successor Agency, the Authority and the Escrow Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 16. Compensation of Escrow Trustee. For acting under this Agreement Regarding Redemption, the Escrow Trustee shall be entitled to payment of fees for its services and reimbursement of advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Escrow Trustee in connection with its services under this Agreement Regarding Redemption; however, such amount shall never be payable from or become a lien upon the Escrow Fund, which fund shall be held solely for the purposes and subject to the lien set forth in Section 5 of this Agreement Regarding Redemption.

The Successor Agency covenants to indemnify and hold harmless the Escrow Trustee against any loss, liability or expense, including legal fees in connection with the performance of any of its duties hereunder, except the Escrow Trustee shall not be indemnified against any loss, liability or expense resulting from its negligence or willful misconduct. Such indemnification shall survive the termination of this Agreement Regarding Redemption.

Section 17. Governing Law. This Agreement Regarding Redemption shall be governed by the applicable laws of the State of California.

Section 18. Headings. Any headings preceding the text of the several Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement Regarding Redemption, nor shall they affect its meaning, construction or effect.

Section 19. Amendments. This Agreement Regarding Redemption may be amended or supplemented in writing by the Successor Agency, the Authority and the Escrow Trustee, but only if the Successor Agency and the Authority comply with the provisions of Section 8, if applicable. No such amendment or supplement shall affect the lien or application of amounts in the Escrow Fund for the payment of the Refunded 2009 Series E Bonds, as contemplated hereby, and shall not otherwise materially adversely affect the interests of the holders of the Refunded 2009 Series E Bonds, all as evidenced by an opinion of counsel delivered to the Escrow Trustee, unless the holders of a majority in aggregate principal amount of the Refunded 2009 Series E Bonds consent to such amendment or supplement.

Section 20. Counterparts. This Agreement Regarding Redemption may be signed in several counterparts, each of which will constitute an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the City and County of San Francisco Redevelopment Financing Authority, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco and U.S. Bank National Association, as Escrow Trustee, have each caused this Agreement Regarding Redemption to be executed, and U.S. Bank National Association, as trustee for the 2009 Series E Bonds, has caused this Agreement Regarding Redemption to be acknowledged, by their duly authorized officers as of the date first above written.

CITY AND COUNTY OF SAN FRANCISCO
REDEVELOPMENT FINANCING
AUTHORITY

By: _____
Treasurer

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director,
Finance and Administration

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Trustee

By: _____
Authorized Officer

ACKNOWLEDGEMENT OF
U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE FOR THE 2009 SERIES E BONDS

U.S. Bank National Association, as Trustee for the 2009 Series E Bonds hereby acknowledges the provisions of this Agreement Regarding Redemption and, in particular, Section 7 hereof and, as such provisions are applicable to U.S. Bank National Association, in its capacity as Trustee for the 2009 Series E Bonds agrees to comply therewith. U.S. Bank National Association, as Trustee for the 2009 Series E Bonds, hereby also waives, pursuant to Section 2.03 of the 2009 Series E Loan Agreements, receipt of the written notice of the Successor Agency's intention to prepay the loans made from the proceeds of the 2009 Series E Loan Agreements.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee for the 2009 Series E Bonds

By: _____
Authorized Officer

SCHEDULE A

Escrowed Securities

Maturity	Rate (%)	Par Amount	Price (%)	Purchase Cost	Accrued Interest	Total Purchase Cost
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APPENDIX A

NOTICE OF DEFEASANCE

Notice to the Holders of Outstanding

\$72,565,000

**City and County of San Francisco
Redevelopment Financing Authority
2009 Series E Taxable Tax Allocation Revenue Bonds
(San Francisco Redevelopment Projects)**

NOTICE IS HEREBY GIVEN that the City and County of San Francisco Redevelopment Financing Authority (the "Authority") has on _____, 2017 from the proceeds of sale of bonds and other sources, irrevocably set aside in an Escrow Fund created for such purpose and held by U.S. Bank National Association, San Francisco, California, as escrow trustee (the "Escrow Trustee") pursuant to an Agreement Regarding Redemption, Defeasance and Payment of 2009 Series E Bonds and 2009 Series E Loan Agreements, dated as of _____ 1, 2017 (the "Agreement Regarding Redemption"), by and among the Authority, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, and the Escrow Trustee, moneys which, when added to the investment earnings therefrom, shall be sufficient to pay the principal and interest on the portion of the captioned bonds identified below (the "Refunded Bonds") to and including August 1, 2019, and the redemption price on the Refunded Bonds maturing on and after August 1, 2020 on August 1, 2019 calculated in accordance with the terms of the indenture of trust relating to the Refunded Bonds.

<u>Maturity</u>	<u>Original Par</u>	<u>Original CUSIP</u>	<u>Defeased Amount</u>	<u>New Defeased CUSIP</u>	<u>Non-Defeased Amount</u>	<u>New Non-Defeased CUSIP</u>
8/1/2019	\$ 565,000	79771P U52				
8/1/2024	15,295,000	79771P U60				
8/1/2029	18,335,000	79771P U78				
8/1/2039	37,485,000	79771P U86				

In accordance with the terms of the indenture of trust relating to the Refunded Bonds, notice of redemption of the Refunded Bonds to be redeemed is required to be given by U.S. Bank National Association, as trustee (the "Trustee") for the Refunded Bonds, on a date not more than 60 days or less than 30 days prior to the date fixed for redemption thereof.

The moneys so deposited in the Escrow Fund (as defined in the Agreement Regarding Redemption (including the earnings derived from the investment thereof) are irrevocably pledged to the payment of principal or redemption price of and interest on the outstanding Refunded Bonds. Said moneys have been invested in obligations for the payment of which the full faith and credit of the United States of America is pledged and which bear interest and mature on such dates as to insure (according to the verification report delivered to the Escrow Trustee) the payment of all principal, premium, as applicable, and interest on the Refunded

Bonds. Pursuant to the Agreement Regarding Redemption, the Agency may substitute securities for those initially allocated to the Escrow Fund and withdraw moneys from the Escrow Fund subject to the terms and conditions set forth in the Agreement Regarding Redemption.

As a consequence of the foregoing actions and in accordance with the indenture of trust relating to the Refunded Bonds, the Refunded Bonds are no longer secured by a pledge of Revenues received by the Trustee, such pledge and the obligations and covenants of the Authority under said indenture of trust having been fully released and discharged, and the Refunded Bonds are payable solely from the moneys set aside in escrow as described above and, if necessary, from other legally available funds of the Authority.

Additional information regarding the foregoing actions may be obtained from U.S. Bank National Association, Global Corporate Trust Services, One California Street, Suite 2100, San Francisco, California 94111, telephone number (415) 677-3599.

Dated: _____, 2017

U.S. BANK NATIONAL ASSOCIATION
as Escrow Trustee

EXHIBIT A

\$72,565,000

**City and County of San Francisco
Redevelopment Financing Authority
2009 Series E Taxable Tax Allocation Revenue Bonds
(San Francisco Redevelopment Projects)**

Refunded Bonds

<u>Maturity</u>	<u>Original Par</u>	<u>Original CUSIP</u>	<u>Defeased Amount</u>	<u>New Defeased CUSIP*</u>	<u>Non- Defeased Amount</u>	<u>New Non- Defeased CUSIP</u>
8/1/2019	\$ 565,000	79771P U52				
8/1/2024*	15,295,000	79771P U60				
8/1/2029**	18,335,000	79771P U78				
8/1/2039**	37,485,000	79771P U86				

*To be redeemed on August 1, 2019 at a price of 100% of the principal amount thereof plus accrued interest thereon, without premium.

**To be redeemed on August 1, 2019 at a redemption price equal to the greater of: (1) the principal amount of the Refunded Bonds, plus accrued and unpaid interest thereon; or (2) the sum of the present value of the remaining scheduled payments of principal and interest on the Refunded Bonds to be redeemed to the maturity date of such Refunded Bonds, not including any portion of those payments of interest accrued and unpaid as of the date on which the Refunded Bonds, discounted to the date on which the Refunded Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the Treasury Rate (as defined in the 2009 Series E Indenture) plus 40 basis points, plus accrued and unpaid interest on the Refunded Bonds to the redemption date.

**AGREEMENT REGARDING
THE REDEMPTION, DEFEASANCE AND PAYMENT OF
2011 SERIES E BONDS AND 2011 SERIES E LOAN AGREEMENTS**

By and Among

**CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING
AUTHORITY**

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

and

**U.S. BANK NATIONAL ASSOCIATION,
as Escrow Trustee**

Dated as of March 1, 2017

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SCHEDULE A - Escrowed Securities

APPENDIX A - Notice of Defeasance

EXHIBIT A - Refunded Bonds

**AGREEMENT REGARDING
THE REDEMPTION, DEFEASANCE AND PAYMENT OF
2011 SERIES E BONDS AND 2011 SERIES E LOAN AGREEMENTS**

THIS AGREEMENT REGARDING THE REDEMPTION, DEFEASANCE AND PAYMENT OF 2011 SERIES E BONDS AND 2011 SERIES E LOAN AGREEMENTS, dated as of March 1, 2017 (this "Agreement Regarding Redemption"), by and among the CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY, a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "Authority"), the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public entity existing under the laws of the State of California (the "Successor Agency"), as successor agency to the Redevelopment Agency of the City and County of San Francisco (the "Former Agency"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as escrow trustee (the "Escrow Trustee").

W I T N E S S E T H:

WHEREAS, the Successor Agency is, simultaneously with the execution of this Agreement Regarding Redemption, issuing \$_____ aggregate principal amount of its 2017 Series C Taxable Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects) (the "2017 Series C Bonds");

WHEREAS, the 2017 Series C Bonds are being issued, in part, for the purpose of providing moneys to refund all of the outstanding 2011 Series E Bonds (as hereinafter defined) and provide for the prepayment of the amounts owed by the Successor Agency under the 2011 Series E Loan Agreements (as hereinafter defined);

WHEREAS, in order to accomplish the refunding of all of the 2011 Series E Bonds and the 2011 Series E Loan Agreements, the Successor Agency will deposit, or cause to be deposited, a portion of the proceeds of the 2017 Series C Bonds and certain other moneys of the Successor Agency with the Escrow Trustee in accordance with this Agreement Regarding Redemption; and

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

Section 1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Agreement Regarding Redemption shall have the respective meanings which such terms are given in Section 1.01 of the Indenture (hereinafter defined). In addition, the following terms defined in this Section 1 shall, for all purposes of this Agreement Regarding Redemption, have the respective meanings herein specified.

"Eligible Securities" shall have the meaning assigned to such term in Section 3 hereof.

"Escrowed Securities" shall have the meaning assigned to such term in Section 3 hereof.

"Indenture" means the Indenture of Trust, dated as of March 1, 2017, by and between the Successor Agency and U.S. Bank National Association, as trustee thereunder, relating to the issuance of the 2017 Series C Bonds.

"2011 Series E Bonds" means the Authority's \$9,455,000 initial aggregate principal amount of 2011 Series E Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects).

"2011 Series E Indenture" means the Indenture of Trust dated as of April 1, 2011, between the Authority and U.S. Bank National Association, as trustee.

"2011 Series E Loan Agreements" means, collectively, the Loan Agreement dated as of April 1, 2011, by and among the Former Agency, U.S. Bank National Association, as trustee, and the Authority relating to the Mission Bay North Redevelopment Project Area and entered into in connection with the 2011 Series E Bonds, and the Loan Agreement dated as of April 1, 2011, by and among the Former Agency, U.S. Bank National Association, as trustee, and the Authority relating to the Mission Bay South Redevelopment Project Area and entered into in connection with the 2011 Series E Bonds.

Section 2. Creation of Escrow Fund. There is hereby created and established with the Escrow Trustee a special and irrevocable escrow fund designated "2011 Series E Escrow Fund" (the "Escrow Fund") to be held in the custody of the Escrow Trustee in trust under this Agreement Regarding Redemption for the benefit of the beneficial owners of the 2011 Series E Bonds.

Moneys on deposit in the Escrow Fund shall be held in the custody of the Escrow Trustee solely for the benefit of the owners of the 2011 Series E Bonds. Except to the extent of any excess to be released as provided in Section 12 hereof, neither the Authority nor the Successor Agency shall have any interest in the funds held in the Escrow Fund. The moneys held hereunder shall be irrevocably pledged and set aside for the payment of the 2011 Series E Bonds and the 2011 Series E Loan Agreements as provided in Section 6 hereof.

Section 3. Deposit to the Escrow Fund. Concurrently with the execution and delivery of this Agreement Regarding Redemption, the Successor Agency shall deposit, or cause to be deposited, with the Escrow Trustee \$_____ to be derived from the proceeds of the 2017 Series C Bonds, \$_____ to be derived from funds held under reserve and debt accounts established under the 2011 Series E Loan Agreements, [and \$_____ of funds held by the Successor Agency], for a total deposit of \$_____, which amounts the Successor Agency hereby instructs the Escrow Trustee to hold and use as provided in this Agreement Regarding Redemption.

The Escrow Trustee shall, on _____, 2017, use \$_____ of such amounts to purchase the security listed on Schedule A attached hereto and made a part hereof (the "Escrowed Securities") (which security the Successor Agency represents are Eligible Securities as hereinafter defined) maturing on the dates and in the amounts necessary to make the transfers described in Section 6 hereof. The remaining \$_____ shall be held uninvested in cash.

For purposes of this Agreement Regarding Redemption, the term "Eligible Securities" means non-callable Defeasance Obligations (as defined in the 2011 Series E Indenture)

Section 4. Investment of Escrow Fund. The Escrow Trustee will purchase the Escrowed Securities in the name of the Escrow Trustee as provided in Section 3 above and will hold such Escrowed Securities, and any earnings received thereon and any reinvestment thereof in the Escrow Fund and disburse such amounts as provided herein. The Escrow Trustee shall collect amounts due and shall sell or otherwise liquidate investments in the Escrow Fund as needed to make the payments and transfers required by this Agreement Regarding Redemption and may sell, liquidate or otherwise dispose of the Escrowed Securities in accordance with Section 8 hereof and may substitute, upon the written direction of the Successor Agency, Eligible Securities subject to the terms and limitations of Section 8 hereof but otherwise shall have no power or duty to sell, transfer or otherwise dispose of the Escrowed Securities.

Section 5. Creation of Lien on Escrow Fund. The Escrow Fund created hereby shall be irrevocable, and the Escrow Trustee is hereby appointed to act for the benefit of the owners of the 2011 Series E Bonds, which are hereby granted an express lien on the Escrow Fund, and all moneys from time to time held therein, for the payment of amounts described in Section 6 below. The Escrow Trustee shall hold the moneys on deposit in the Escrow Fund separate and apart from, and not commingled with, any other moneys or investments.

Section 6. Use of Escrow Fund. The Escrow Trustee shall use the maturing Escrowed Securities, the interest earnings thereon, and amounts deposited in cash in the Escrow Fund to pay the principal and interest on the 2011 Series E Bonds to and including February 1, 2021, and the redemption price of the 2011 Series E Bonds maturing on and after August 1, 2021, on February 1, 2021. All amounts remaining in the Escrow Fund after the payment of all such debt service shall be transferred to or upon the direction of the Successor Agency and used to pay debt service on the 2017 Series C Bonds.

As a result of the deposit into and use of the Escrow Fund as described herein, all payment obligations of the Successor Agency under the 2011 Series E Loan Agreements have been discharged in full.

Section 7. Notice of Redemption. Not less than 30 days prior to February 1, 2021, the Escrow Trustee will mail to the owners of the 2011 Series E Bonds a notice of redemption as required by the 2011 Series E Indenture.

In addition to the notice of redemption referred to above, the Escrow Agent shall, within three (3) business days of receipt of the amounts set forth in Section 3 above, post a notice of defeasance relating to the 2011 Series E Bonds, in the form attached hereto as Appendix A, to the Municipal Securities Rulemaking Board Electronic Municipal Market Access (EMMA) system accessible at the emma.msrb.org website. The Escrow Trustee shall also send such notice of defeasance to the owners of the 2011 Series E Bonds.

Section 8. Reinvestment; Substitution; Liquidation. Interest income and other amounts received by the Escrow Trustee as payments on the Escrowed Securities shall be held as part of the Escrow Fund to be used for the purposes set forth in Section 6 of this Agreement Regarding Redemption and shall be invested by the Escrow Trustee in Eligible Securities but only at the written direction of the Authority and the Successor Agency, provided that (i) such amounts may only be invested in Eligible Securities and (ii) such investments shall have maturities which do not extend beyond the date on which the moneys so invested will be needed to make the transfers required by Section 6 of this Agreement Regarding Redemption.

If the Successor Agency and the Authority, at any time, deliver to the Escrow Trustee written instructions instructing the Escrow Trustee to liquidate, sell or otherwise dispose of any or all securities or investments in the Escrow Fund, purchase or otherwise acquire Eligible Securities, and/or to release any moneys or securities therein to the Successor Agency, and further delivers to the Escrow Trustee, each of the following:

(a) a revised Schedule A (together with a certification by the Successor Agency that the securities or investments described therein are Eligible Securities);

(b) a report of a nationally recognized firm of independent certified public accountants verifying that the securities or investments described on such Schedule A will provide moneys (excluding reinvestment earnings), available in both time and amount, to enable timely payment of all amounts required in accordance with Section 6; and

(c) an opinion of nationally recognized bond counsel to the effect that the liquidation, sale or other disposition of securities or investments in the Escrow Fund, the purchase or other acquisition of securities or investments and the deposit thereof in the Escrow Fund, or the release of amounts from the Escrow Fund as described in this Section 8 will not result in loss of the exemption of interest on any of the 2011 Series E Bonds or the 2017 Series C Bonds from State of California personal income taxes;

then the Escrow Trustee shall liquidate, sell or otherwise dispose of the securities in the Escrow Fund, shall purchase (or retain) the securities or investments described in such revised Schedule A and transfer to the Successor Agency, free and clear of the lien of this Agreement Regarding Redemption, any and all amounts in the Escrow Fund not required for the purchase of the investments described on such revised Schedule A, all in accordance with such instructions from the Successor Agency referred to above.

Section 9. Liability of Escrow Trustee. The Successor Agency hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to the extent permitted by law to indemnify, protect, save and keep harmless the Escrow Trustee and its respective successors, assigns, agents, officers, directors, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Trustee at any time (whether or not also indemnified against the same by the Successor Agency or by any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement Regarding Redemption, the establishment hereunder of the Escrow Fund, the acceptance of the funds deposited therein, and any payment, transfer or other application of moneys by the Escrow Trustee in accordance with the provisions of this Agreement Regarding Redemption; provided, however, that the Successor Agency shall not be required to indemnify the Escrow Trustee against the Escrow Trustee's own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Trustee's agents and employees or the willful breach by the Escrow Trustee of the terms of this Agreement Regarding Redemption. In no event shall the Successor Agency or the Escrow Trustee be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement Regarding Redemption and the resignation or removal of the Escrow Trustee.

The Escrow Trustee undertakes to perform only such duties as are expressly and specifically set forth in this Agreement Regarding Redemption and no implied duties or obligations shall be read into this Agreement Regarding Redemption against the Escrow Trustee.

The Escrow Trustee shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Trustee be liable for any special indirect or consequential damages.

The Escrow Trustee may consult with counsel of its own choice and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action hereunder in accordance with such opinion of counsel.

The Escrow Trustee shall not be responsible for any of the recitals or representations contained herein.

Whenever in the administration of this Agreement Regarding Redemption the Escrow Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or willful misconduct on the part of the Escrow Trustee, be deemed to be conclusively proved and established by a certificate of an authorized representative of the Successor Agency, and such certificate shall, in the absence of negligence or willful misconduct on the part of the Escrow Trustee, be full warrant to the Escrow Trustee for any action taken or suffered by it under the provisions of this Agreement upon the faith thereof.

The Escrow Trustee may at any time resign by giving written notice 30 days' prior to the proposed effective date of the resignation to the Authority and the Successor Agency of such resignation. The Authority and the Successor Agency shall promptly appoint a successor Escrow Trustee by the resignation date. Resignation of the Escrow Trustee will be effective upon acceptance of appointment by a successor Escrow Trustee. If the Authority and the Successor Agency do not appoint a successor within 45 days, the Escrow Trustee may petition any court of competent jurisdiction for the appointment of a successor Escrow Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Trustee.

The liability of the Escrow Trustee to make the payments required by this Agreement Regarding Redemption shall be limited to the cash in the Escrow Fund.

The Escrow Trustee shall not be liable for the accuracy of any calculations provided as to the sufficiency of the moneys deposited with it to pay the principal, interest, or premiums, if any, on the 2011 Series E Bonds.

No provision of this Agreement Regarding Redemption shall require the Escrow Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

The Escrow Trustee may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow

Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Trustee, or another method or system specified by the Escrow Trustee as available for use in connection with its services hereunder); provided, however, that the Successor Agency shall provide to the Escrow Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Successor Agency whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Escrow Trustee Instructions using Electronic Means and the Escrow Trustee in its discretion elects to act upon such Instructions, the Escrow Trustee's understanding of such Instructions shall be deemed controlling. The Successor Agency understands and agrees that the Escrow Trustee cannot determine the identity of the actual sender of such Instructions and that the Escrow Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Trustee have been sent by such Authorized Officer. The Successor Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Trustee and that the Successor Agency and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Successor Agency. The Escrow Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict with or are inconsistent with a subsequent written instruction. The Successor Agency agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Trustee, including without limitation the risk of the Escrow Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Successor Agency; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 10. Sufficiency of Escrow. The Authority agrees that if for any reason the moneys and other funds in the Escrow Fund are insufficient or otherwise unavailable to pay timely principal and premium of, and interest on, all of the outstanding 2011 Series E Bonds which bonds are identified in Exhibit A hereto, the Authority shall continue to be liable therefor in accordance with the terms of the 2011 Series E Indenture.

Section 11. Successor Escrow Trustee. Any corporation, bank or association into which the Escrow Trustee and the trust created by this Agreement Regarding Redemption may be merged or converted or with which it may be consolidated, or any corporation, bank or association resulting from any merger, conversion, consolidation or tax-free reorganization to

which the Escrow Trustee shall be a party or any corporation, bank or association succeeding to all or substantially all of the corporate trust business of the Escrow Trustee, shall, if satisfactory to the Successor Agency, be the successor Escrow Trustee under this Agreement Regarding Redemption without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 12. Termination. This Agreement Regarding Redemption shall terminate when all transfers and payments required to be made by the Escrow Trustee under the provisions of Section 6 hereof shall have been made and any moneys remaining in the Escrow Fund at the time of such termination shall have been distributed to the Successor Agency and the Escrow Trustee has made a final report to the Successor Agency.

Section 13. [Reserved].

Section 14. Severability. If any one or more of the covenants and agreements provided in this Agreement Regarding Redemption on the part of the Successor Agency or the Escrow Trustee to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement Regarding Redemption.

Section 15. Successors and Assigns. All of the covenants and agreements in this Agreement Regarding Redemption contained by or on behalf of the Successor Agency, the Authority and the Escrow Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 16. Compensation of Escrow Trustee. For acting under this Agreement Regarding Redemption, the Escrow Trustee shall be entitled to payment of fees for its services and reimbursement of advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Escrow Trustee in connection with its services under this Agreement Regarding Redemption; however, such amount shall never be payable from or become a lien upon the Escrow Fund, which fund shall be held solely for the purposes and subject to the lien set forth in Section 5 of this Agreement Regarding Redemption.

The Successor Agency covenants to indemnify and hold harmless the Escrow Trustee against any loss, liability or expense, including legal fees in connection with the performance of any of its duties hereunder, except the Escrow Trustee shall not be indemnified against any loss, liability or expense resulting from its negligence or willful misconduct. Such indemnification shall survive the termination of this Agreement Regarding Redemption.

Section 17. Governing Law. This Agreement Regarding Redemption shall be governed by the applicable laws of the State of California.

Section 18. Headings. Any headings preceding the text of the several Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement Regarding Redemption, nor shall they affect its meaning, construction or effect.

Section 19. Amendments. This Agreement Regarding Redemption may be amended or supplemented in writing by the Successor Agency, the Authority and the Escrow Trustee, but only if the Successor Agency and the Authority comply with the provisions of Section 8, if

applicable. No such amendment or supplement shall affect the lien or application of amounts in the Escrow Fund for the payment of the 2011 Series E Bonds, as contemplated hereby, and shall not otherwise materially adversely affect the interests of the holders of the 2011 Series E Bonds, all as evidenced by an opinion of counsel delivered to the Escrow Trustee, unless the holders of a majority in aggregate principal amount of the 2011 Series E Bonds consent to such amendment or supplement.

Section 20. Counterparts. This Agreement Regarding Redemption may be signed in several counterparts, each of which will constitute an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the City and County of San Francisco Redevelopment Financing Authority, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco and U.S. Bank National Association, as Escrow Trustee, have each caused this Agreement Regarding Redemption to be executed, and U.S. Bank National Association, as trustee for the 2011 Series E Bonds, has caused this Agreement Regarding Redemption to be acknowledged, by their duly authorized officers as of the date first above written.

CITY AND COUNTY OF SAN FRANCISCO
REDEVELOPMENT FINANCING
AUTHORITY

By: _____
Treasurer

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director,
Finance and Administration

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Trustee

By: _____
Authorized Officer

ACKNOWLEDGEMENT OF
U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE FOR THE 2011 SERIES E BONDS

U.S. Bank National Association, as Trustee for the 2011 Series E Bonds hereby acknowledges the provisions of this Agreement Regarding Redemption and, in particular, Section 7 hereof and, as such provisions are applicable to U.S. Bank National Association, in its capacity as Trustee for the 2011 Series E Bonds agrees to comply therewith. U.S. Bank National Association, as Trustee for the 2011 Series E Bonds, hereby also waives, pursuant to Section 2.03 of the 2011 Series E Loan Agreements, receipt of the written notice of the Successor Agency's intention to prepay the loans made from the proceeds of the 2011 Series E Loan Agreements.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee for the 2011 Series E Bonds

By: _____
Authorized Officer

SCHEDULE A
Escrowed Securities

<u>Maturity</u>	<u>Rate (%)</u>	<u>Par Amount</u>	<u>Price (%)</u>	<u>Purchase Cost</u>	<u>Accrued Interest</u>	<u>Total Purchase Cost</u>
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APPENDIX A

NOTICE OF DEFEASANCE

Notice to the Holders of Outstanding

\$9,455,000

**City and County of San Francisco
Redevelopment Financing Authority
2011 Series E Taxable Tax Allocation Revenue Bonds
(San Francisco Redevelopment Projects)**

NOTICE IS HEREBY GIVEN that the City and County of San Francisco Redevelopment Financing Authority (the "Authority") has on _____, 2017 from the proceeds of sale of bonds and other sources, irrevocably set aside in an Escrow Fund created for such purpose and held by U.S. Bank National Association, San Francisco, California, as escrow trustee (the "Escrow Trustee") pursuant to an Agreement Regarding Redemption, Defeasance and Payment of 2011 Series E Bonds and 2011 Series E Loan Agreements, dated as of _____ 1, 2017 (the "Agreement Regarding Redemption"), by and among the Authority, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, and the Escrow Trustee, moneys which, when added to the investment earnings therefrom, shall be sufficient to pay the principal and interest on the portion of the captioned bonds identified below (the "Refunded Bonds") to and including February 1, 2021, and the redemption price on the Refunded Bonds on and after August 1, 2021 on February 1, 2021.

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> <u>(Base: 79771P)</u>
2026	\$ 2,990,000	8.125%	4L6
2031	6,455,000	8.625	4M4

In accordance with the terms of the indenture of trust relating to the Refunded Bonds, notice of redemption of the Refunded Bonds to be redeemed is required to be given by U.S. Bank National Association, as trustee (the "Trustee") for the Refunded Bonds, on a date not more than 60 days or less than 30 days prior to the date fixed for redemption thereof.

The moneys so deposited in the Escrow Fund (as defined in the Agreement Regarding Redemption (including the earnings derived from the investment thereof) are irrevocably pledged to the payment of principal or redemption price of and interest on the outstanding Refunded Bonds. Said moneys have been invested in obligations for the payment of which the full faith and credit of the United States of America is pledged and which bear interest and mature on such dates as to insure (according to the verification report delivered to the Escrow Trustee) the payment of all principal, premium, as applicable, and interest on the Refunded Bonds. Pursuant to the Agreement Regarding Redemption, the Agency may substitute securities for those initially allocated to the Escrow Fund and withdraw moneys from the Escrow Fund subject to the terms and conditions set forth in the Agreement Regarding Redemption.

As a consequence of the foregoing actions and in accordance with the indenture of trust relating to the Refunded Bonds, the Refunded Bonds are no longer secured by a pledge of Revenues received by the Trustee, such pledge and the obligations and covenants of the Authority under said indenture of trust having been fully released and discharged, and the Refunded Bonds are payable solely from the moneys set aside in escrow as described above and, if necessary, from other legally available funds of the Authority.

Additional information regarding the foregoing actions may be obtained from U.S. Bank National Association, Global Corporate Trust Services, One California Street, Suite 2100, San Francisco, California 94111, telephone number (415) 677-3599.

Dated: _____, 2017

U.S. BANK NATIONAL ASSOCIATION
as Escrow Trustee

EXHIBIT A

\$9,455,000

**City and County of San Francisco
Redevelopment Financing Authority
2011 Series E Taxable Tax Allocation Revenue Bonds
(San Francisco Redevelopment Projects)**

Refunded Bonds

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> <u>(Base: 79771P)</u>
2026	\$ 2,990,000	8.125%	4L6
2031	6,455,000	8.625	4M4

\$ _____
**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
 CITY AND COUNTY OF SAN FRANCISCO
 2017 SERIES C TAXABLE TAX ALLOCATION BONDS
 (MISSION BAY NEW MONEY AND REFUNDING HOUSING PROJECTS)**

BOND PURCHASE CONTRACT

February __, 2017

Successor Agency to the Redevelopment Agency of the City and County of San Francisco
 1 South Van Ness Avenue, 5th Floor
 San Francisco, California 94103
 Attention: Deputy Executive Director, Finance and Administration

City and County of San Francisco Redevelopment Financing Authority
 c/o Successor Agency to the Redevelopment Agency of the City and County of San Francisco
 1 South Van Ness Avenue, 5th Floor
 San Francisco, California 94103
 Attention: Treasurer

Ladies and Gentlemen:

The undersigned, Piper Jaffray & Co., on behalf of itself and as representative (the “Representative”) of Stinson Securities, LLC (together, the “Underwriters”), offers to enter into this Bond Purchase Contract (this “Purchase Contract”) with the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) and the City and County of San Francisco Redevelopment Financing Authority (the “Authority”). This offer is made subject to acceptance by the Successor Agency and the Authority by execution of this Purchase Contract and delivery of the same to the Representative on or before 11:59 p.m. (California time) on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Successor Agency and the Authority at any time prior to such acceptance. Upon the acceptance by the Successor Agency and the Authority hereof, this Purchase Contract will be binding upon the Successor Agency, the Authority and the Underwriters.

Capitalized terms used in this Purchase Contract and not otherwise defined herein shall have the respective meanings set forth for such terms in the Indenture (as such term is defined below) and if not otherwise defined therein, shall have the meanings given to such terms as set forth in the Official Statement (as such term is defined below).

Section 1. Purchase and Sale of the Bonds. Upon the terms and conditions and upon the basis of the representations set forth in this Purchase Contract, the Underwriters agree to purchase from the Authority, and the Authority agrees to sell and deliver to the Underwriters, all (but not less than all) of the \$ _____ principal amount of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series C Taxable Tax Allocation Bonds (Mission Bay

New Money and Refunding Housing Projects) (the “Bonds”). The Bonds shall be dated their date of delivery and shall have the maturities, bear interest at the rates per annum and have the yields all as set forth on Schedule I attached hereto. The purchase price for the Bonds shall be \$_____ (calculated as \$_____ aggregate principal amount of the Bonds, plus an original issue premium in the amount of \$_____ and less an Underwriters’ discount in the amount of \$_____). The Successor Agency agrees that it will sell the Bonds to the Authority upon the same terms as the sale of the Bonds by the Authority to the Underwriters to enable the Authority to make such resale of the Bonds.

Section 2. Preliminary Official Statement. The Successor Agency has delivered to the Underwriters a Preliminary Official Statement, dated _____, 2017 (the “Preliminary Official Statement”), and will deliver to the Underwriters a final Official Statement dated the date hereof as provided in Section 5 of this Purchase Contract (as amended and supplemented from time to time pursuant to Section 6(k) of this Purchase Contract, the “Official Statement”). The Successor Agency has delivered to the Underwriters a certificate pursuant to Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”) relating to the Preliminary Official Statement, in substantially the form attached hereto as Exhibit A.

Section 3. Description of the Bonds. The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of and shall be payable as provided in the Indenture of Trust, dated as of March 1, 2017 (the “Indenture”), by and between the Successor Agency and U.S. Bank National Association, as trustee (“U.S. Bank” or “the “Trustee”), and the Constitution and laws of the State of California, including but not limited to Parts 1.8 and 1.85 of Division 24 of the Health and Safety Code of the State of California (as amended from time to time, the “Dissolution Act”). The Bonds shall be payable and subject to redemption as provided in the Indenture and as set forth in the Official Statement. The Bonds are legal, valid and binding limited obligations of the Successor Agency which are payable solely from and secured by a pledge of Tax Revenues, as defined and described in the Indenture. The Bonds are issued for the primary purpose of providing funds, together with other lawfully available moneys: (a) to finance and refinance certain redevelopment activities within or to benefit the Project Areas (as such term is defined in the Indenture); (b) to satisfy the Reserve Requirement for the Bonds through the purchase of debt service reserve fund policy (the “Reserve Policy”) to be issued by _____ (the “Insurer”); and (c) to pay the costs associated with the issuance of the Bonds including that portion of the premium with respect to a municipal bond insurance policy (the “Policy”) to be issued by the Insurer.

In order to finance and refinance redevelopment activities within or of benefit to the Project Areas, the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) entered into the following loan agreements (collectively, the “Existing Loan Agreements”), and pledged Tax Revenues (as defined in the Existing Loan Agreements) to the repayment of the loans made to the Former Agency under the Existing Loan Agreements, as follows: (i) Loan Agreement dated as of August 1, 2006, by and among the Former Agency, The Bank of New York Trust Company, N.A., now known as The Bank of New York Mellon Trust Company, N.A., as trustee (“BNY”), and the Authority entered into in connection with the issuance of the Authority’s 2006 Series A Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) (the “2006 Bonds”); (ii) Loan Agreement dated as of October 15, 2007, by and among the Former Agency, BNY, as trustee, and the Authority entered into in connection with the issuance of the Authority’s 2007 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) (the “2007 Bonds”); (iii) Loan Agreement dated as of September 1, 2009, by and among the Former Agency, U.S. Bank, as trustee, and the Authority relating to the Mission Bay North Project Area,

entered into in connection with issuance of the Authority's 2009 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) (the "2009A Bonds"); (iv) Loan Agreement dated as of September 1, 2009, by and among the Former Agency, U.S. Bank, as trustee, and the Authority, relating to the Mission Bay South Project Area, entered into in connection with the issuance of the 2009A Bonds; (v) Loan Agreement dated as of December 1, 2009, by and among the Former Agency, U.S. Bank, as trustee, and the Authority relating to the Mission Bay North Project Area, entered into in connection with the issuance of the Authority's 2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) (the "2009E Bonds"); (vi) Loan Agreement dated as of December 1, 2009, by and among the Former Agency, U.S. Bank, as trustee, and the Authority relating to the Mission Bay South Project Area, entered into in connection with the issuance of the 2009E Bonds; (vii) Loan Agreement dated as of April 1, 2011, by and among the Former Agency, U.S. Bank, as trustee, and the Authority relating to the Mission Bay North Project Area, entered into in connection with the issuance of the Authority's 2011 Series E Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects) (the "2011 Bonds," and collectively, the "Prior Bonds"); and (viii) Loan Agreement dated as of April 1, 2011, by and among the Former Agency, U.S. Bank, as trustee, and the Authority relating to the Mission Bay South Project Area, entered into in connection with the issuance of the 2011 Bonds.

Section 4. Public Offering. The Underwriters agree to make a bona fide public offering of all of the Bonds at not in excess of the initial public offering prices or yields set forth in Schedule I attached hereto, plus interest accrued thereon, if applicable, from the date of the Bonds. The Underwriters reserve the right to make concessions to dealers and to change such initial public offering prices or yields as the Underwriters reasonably deem necessary in connection with the marketing of the Bonds. The Underwriters also reserve the right: (a) to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market; and (b) to discontinue such stabilizing, if commenced, at any time.

Section 5. Delivery of Official Statement. The Successor Agency shall deliver to the Underwriters, as promptly as practicable but in no event later than the Closing Date (as such term is defined herein), such number of copies of the final Official Statement, as the Underwriters may reasonably request in order to comply with Rule 15c2-12(b) and the rules of the Municipal Securities Rulemaking Board (the "MSRB").

The Successor Agency hereby authorizes the Underwriters to use the Official Statement and the information contained therein in connection with the offering and sale of the Bonds and ratifies and confirms the authorization of the use by the Underwriters prior to the date hereof of the Preliminary Official Statement, furnished to the Underwriters by the Successor Agency in connection with such offering and sale.

The Underwriters agree that from the time that the Official Statement becomes available until the earlier of: (a) the "End of the Underwriting Period," as defined in Section 6(j) of this Purchase Contract; or (b) the time when the Official Statement is available to any person from the MSRB's Electronic Municipal Market Access system ("EMMA"), but in no case less than 25 days following the End of the Underwriting Period, the Underwriters shall send no later than the next business day following a request for a copy thereof, by first class mail or other equally prompt means, to any potential customer (as such term is defined in Rule 15c2-12), on request, a single copy of the Official Statement. The Underwriters agree to file as soon as reasonably practicable a copy of the Official Statement with EMMA and to take any and all actions necessary to comply with applicable

Securities and Exchange Commission rules and MSRB rules governing the offering, sale and delivery of the Bonds to ultimate purchasers.

Section 6. Representations, Warranties and Covenants of the Successor Agency.

The Successor Agency represents, warrants and covenants with the Authority and the Underwriters that:

(a) the Successor Agency is a public body corporate and politic, organized and existing under the laws of the State of California, including the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State of California (the “Redevelopment Law”) and the Dissolution Act, with full right, power and authority to execute, deliver and perform its obligations under: (i) the Indenture; (ii) the Continuing Disclosure Certificate of the Successor Agency, dated the Closing Date and substantially in the form attached to the Official Statement as Appendix __ (the “Continuing Disclosure Certificate”); (iii) this Purchase Contract; (iv) the Agreement Regarding the Redemption, Defeasance and Payment of 2006 Series A Bonds and 2006 Series A Loan Agreement dated as of March 1, 2017 (the “2006 Escrow Agreement”), by and among the Authority, the Successor Agency and BNY, as escrow trustee; (v) the Agreement Regarding the Redemption, Defeasance and Payment of 2007 Series A Bonds and 2007 Series A Loan Agreement dated as of March 1, 2017, by and among the Authority, the Successor Agency and BNY, as escrow trustee (the “2007 Escrow Agreement”); (vi) the Agreement Regarding the Redemption, Defeasance and Payment of 2009 Series A Bonds and 2009 Series A Loan Agreements dated as of March 1, 2017, by and among the Authority, the Successor Agency and U.S. Bank, as escrow trustee (the “2009A Escrow Agreement”); (vii) the Agreement Regarding the Redemption, Defeasance and Payment of 2009 Series E Bonds and 2009 Series E Loan Agreements dated as of March 1, 2017, by and among the Authority, the Successor Agency and U.S. Bank, as escrow trustee (the “2009E Escrow Agreement”); and (viii) the Agreement Regarding the Redemption, Defeasance and Payment of 2011 Series E Bonds and 2011 Series E Loan Agreements dated as of March 1, 2017, by and among the Authority, the Successor Agency and U.S. Bank, as escrow trustee (the “2011 Escrow Agreement” and collectively, the “Escrow Agreements”) (collectively, the “Successor Agency Agreements”), and to carry out all transactions contemplated by each of the Successor Agency Agreements, the Bonds and the Official Statement;

(b) by Resolution No. __-2016 adopted by the Successor Agency on December 6, 2016 (the “Successor Agency Bond Resolution”), the Successor Agency has taken all necessary official action to authorize and approve the execution, delivery of, and the performance by the Successor Agency of the obligations contained in, the Bonds and the Successor Agency Agreements and by Resolution No. __-2016 adopted by the Successor Agency on January 17, 2017 (the “Successor Agency POS Resolution” and together with the Successor Agency Bond Resolution, the “Successor Agency Resolutions”) has duly authorized and approved the Preliminary Official Statement, and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded; when executed and delivered, each of the Successor Agency Agreements and the Bonds will constitute a legally valid and binding obligation of the Successor Agency enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally; the Successor Agency has complied and will as of the Closing Date be in compliance in all respects with the terms of the Successor Agency Agreements; compliance with the provisions of the Successor Agency Agreements will not materially conflict with or constitute a breach of or default under any applicable constitutional provision, law, administrative regulation, court order, consent decree, judgment, decree, loan

agreement, note, resolution, indenture, agreement or other instrument to which the Successor Agency is a party or may be otherwise subject; and the Successor Agency Resolutions were adopted by a majority of the members of the Board of Directors of the Successor Agency at a meeting duly called, noticed and conducted, at which a quorum was present and acting throughout and constitutes all action necessary to be taken by the Successor Agency for the execution, delivery and issuance of the Bonds and the execution, delivery and due performance of the Successor Agency Agreements;

(c) at the time of acceptance hereof by the Successor Agency, and (unless an event occurs of the nature described in Section 6(k)) at all times during the period from the date of this Purchase Contract to and including the date which is 25 days following the End of the Underwriting Period for the Bonds (as determined in accordance with Section 6(j)), the statements and information contained in the Preliminary Official Statement as of its date, and the Official Statement as of its date (excluding the information under the caption “UNDERWRITING” and contained in Appendix __—“DTC AND THE BOOK ENTRY SYSTEM”) are true, correct and complete in all material respects and such statements with respect to the Preliminary Official Statement do not, and with respect to the Official Statement will not, omit to state any material fact necessary to make such statements, in the light of the circumstances under which they were made, not misleading;

(d) [Reserved.]

(e) to the best of its knowledge, the Successor Agency is not in violation or breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any agency or instrumentality of either of them, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Successor Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a violation or a breach of or a default under any such instrument;

(f) at the date hereof and on the Closing Date, the Successor Agency will be in compliance in all respects with the material covenants and agreements contained in the Successor Agency Agreements and the Existing Loan Agreements and no event of default and no event which, with the passage of time or giving of notice, or both, would constitute an event of default thereunder shall have occurred and be continuing;

(g) to the best knowledge of the Successor Agency, after due investigation, other than as set forth in the Official Statement or as the Successor Agency has otherwise disclosed, in writing, to the Underwriters, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or by or before any court, governmental agency, public board or body, pending or threatened against the Successor Agency: (i) wherein an unfavorable decision, ruling or finding would adversely affect the existence of the Successor Agency or the title of any official of the Successor Agency to such person’s office; (ii) seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, or the assignment by the Successor Agency of its rights under the Indenture; (iii) in any way contesting or affecting the validity or enforceability of the Successor Agency Agreements or the Bonds; (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement; or (v) contesting the power of the Successor Agency or its authority with respect to the Bonds or the Successor Agency Agreements, nor is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect

the validity of the Successor Agency Agreements or the authorization, execution, delivery or performance by the Successor Agency of the Bonds or the Successor Agency Agreements;

(h) the Successor Agency will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriters which the Underwriters may reasonably request in order for the Underwriters to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions; provided, however, that in no event shall the Successor Agency be required to take any action which would subject it to service of process in any jurisdiction in which it is not now subject;

(i) to the best of knowledge of the Successor Agency, all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the due performance by the Successor Agency of its obligations under the Successor Agency Agreements or the Bonds have been duly obtained or made, and are, and will be on the Closing Date, in full force and effect;

(j) as used in this Purchase Contract, the term "End of the Underwriting Period" for the Bonds shall mean the earlier of: (i) the Closing Date unless the Successor Agency shall have been notified in writing to the contrary by the Representative on or prior to the Closing Date; or (ii) the date on which the End of the Underwriting Period for the Bonds has occurred under Rule 15c2-12, provided, however, that the Successor Agency may treat as the End of the Underwriting Period for the Bonds the date specified as such in a notice from the Representative stating the date which is the End of the Underwriting Period;

(k) if between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs, or facts or conditions become known to the Successor Agency which, in the reasonable opinion of the Underwriters, Stradling Yocca Carlson & Rauth, a Professional Corporation ("Underwriters' Counsel"), Curls Bartling P.C., A Professional Law Corporation ("Disclosure Counsel") or counsel to the Successor Agency, might or would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances, not misleading, the Successor Agency will notify the Underwriters, and if in the opinion of the Representative such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Successor Agency will forthwith prepare and furnish to the Underwriters (at the expense of the Successor Agency) a reasonable number of copies of an amendment of or supplement to the Official Statement (in the form and substance satisfactory to the Representative) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading with respect to the information of the Successor Agency. If such notification shall be subsequent to the Closing Date, the Successor Agency shall forthwith provide to the Underwriters such legal opinions, certificates, instruments and other documents as the Underwriters may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the Successor Agency will

furnish such information with respect to itself as the Underwriters may from time to time reasonably request;

(l) if the information contained in the Official Statement relating to the Successor Agency is amended or supplemented pursuant to Section 6(k), at the time of such supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein), will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was made, not misleading;

(m) any certificate signed by any officer of the Successor Agency and delivered to the Underwriters pursuant to the Indenture or this Purchase Contract or any document contemplated thereby shall be deemed a representation and warranty by the Successor Agency to the Underwriters as to the statements made therein and that such officer shall have been duly authorized to execute the same;

(n) to the best knowledge of the Successor Agency, there is no public vote or referendum pending or proposed, the results of which could materially adversely affect the transactions contemplated by the Official Statement or the Successor Agency Agreements or the Bonds, or the validity or enforceability of the Bonds;

(o) the Successor Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Indenture;

(p) the financial statements of the Successor Agency contained in the Official Statement fairly present the financial positions and results of operations thereof as of the dates and for the periods therein set forth, and such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied;

(q) except as otherwise disclosed in the Preliminary Official Statement, the Successor Agency is in compliance with all of its prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12 and at or prior to the Closing Date, the Successor Agency shall have duly authorized, executed and delivered the Continuing Disclosure Certificate;

(r) the Successor Agency is not subject to a court order rendered pursuant to Section 33080.8 of the Redevelopment Law prohibiting the Successor Agency from among other things, issuing, selling, offering for sale, or delivering bonds or other evidences of indebtedness;

(s) the Oversight Board of the City and County of San Francisco (the "Oversight Board") has duly adopted Resolution No. __-2016 on December 12, 2016 (the "Oversight Board Resolution") approving the issuance of the Bonds, and no further Oversight Board approval or consent is required for the issuing of the Bonds or the consummation of the transactions described in the Preliminary Official Statement; and

(t) no further State of California Department of Finance (the "DOF") approval or consent is required for the issuance of the Bonds or the consummation of the transactions described

in the Preliminary Official Statement. Except as disclosed in the Preliminary Official Statement, the Successor Agency is not aware of the DOF directing or having any basis to direct the Auditor-Controller of the City and County of San Francisco (the “City”) to deduct unpaid unencumbered funds from future allocations of property tax to the Successor Agency pursuant to Section 34183 of the Dissolution Act.

Section 7. Representations, Warranties, Covenants and Agreements of the Authority. The Authority represents, warrants, covenants and agrees with the Underwriters and the Successor Agency as follows:

(a) the Authority is a public body corporate and politic, organized and existing under the laws of the State of California with full right, power and authority to execute, deliver and perform its obligations under this Purchase Contract;

(b) the Authority adopted Resolution No. __-2017 on [January 17, 2017] (the “Authority Resolution”) at a duly noticed meeting at which a quorum was present and acting throughout, authorizing and approving the execution and delivery of, and the performance by the Authority of its obligations contained in this Purchase Contract and as of the date hereof, the Authority Resolution is in full force and effect and has not been amended, modified or rescinded; and when executed and delivered, this Purchase Contract will constitute the legally valid and binding obligation of the Authority enforceable upon the Authority in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally;

(c) as of the time of acceptance hereof and the Closing Date, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending with respect to which the Authority has been served with process or known to be threatened: (i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices; or (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or this Purchase Contract or the consummation of the transactions contemplated thereby, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) and (ii);

(d) all authorizations, approvals, licenses, permits, consents, elections and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of or which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the Authority of, its obligations in connection with this Purchase Contract have been duly obtained or made and are in full force and effect; and

(e) the purchase and sale of the Bonds by the Authority is not subject to any transfer or other documentary stamp taxes of the State of California or any political subdivision thereof.

Section 8. Closing. At 8:00 A.M., California time, on March __, 2017, or on such earlier or later date as may be mutually agreed upon by parties hereto (the “Closing Date”), the Successor Agency will deliver or cause to be delivered to the Representative the duly executed

Bonds through the facilities of The Depository Trust Company in New York, New York, and will deliver or cause to be delivered at the offices of Jones Hall, A Professional Law Corporation (“Bond Counsel”), in San Francisco, California, or such other place as shall have been mutually agreed upon by the parties, the other documents described herein; and the Underwriters shall pay the purchase price of the Bonds as set forth in Section 1 of this Purchase Contract (less \$_____ which the Representative shall wire directly to the Insurer as the premiums with respect to the Policy and the Reserve Policy) to the order of the Trustee in immediately available funds.

The Bonds shall be issued in fully registered form. It is anticipated that CUSIP identification numbers will be inserted on the Bonds, but neither the failure to provide such numbers nor any error with respect thereto shall constitute a cause for failure or refusal by the Representative to accept delivery of the Bonds in accordance with the terms of this Purchase Contract.

Section 9. Termination. The Underwriters shall have the right to terminate their obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the Successor Agency of their election to do so if, after the execution hereof and prior to the Closing Date:

(a) any legislation (including any amendments thereto), resolution, rule or regulation (including any amendments thereto) shall be introduced in, considered by or be enacted by any governmental body, department or political subdivision of the State of California, or a decision by any court of competent jurisdiction within the State of California shall be rendered which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(b) the outbreak or declaration of war, institution of a police action, engagement in military hostilities by the United States, or any escalation of any existing conflict or hostilities in which the United States is involved or the occurrences of any other national emergency or calamity or crisis or any change in financial markets resulting from the foregoing, which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(c) a general banking moratorium by federal, State of New York or State of California authorities, or the general suspension or material limitation of trading on any national securities exchange which in the Underwriters’ reasonable opinion materially adversely affects the market price of the Bonds, is declared;

(d) the New York Stock Exchange or other national securities exchange, or any governmental authority, imposes any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or there is a material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriters which, in the reasonable opinion of the Underwriters would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(e) legislation is enacted (or resolution passed) by or introduced or pending legislation is amended in the Congress or recommended for passage by the President of the United States, or an order, decree or injunction issued by any court of competent jurisdiction, or an order,

ruling, regulation (final, temporary or proposed) is issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that securities of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended, or that the execution, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement, otherwise is or would be in violation of the federal securities laws as amended and then in effect;

(f) action is taken by or on behalf of the State of California or the State of California Franchise Tax Board, with the purpose or effect, directly or indirectly, of imposing State of California personal income taxation upon such interest as would be received by the Owners of the Bonds;

(g) there occurs a withdrawal or downgrading or any notice of an intended or potential downgrading of any rating of the obligations of the Successor Agency (including the rating to be issued with respect to the Bonds) by a “nationally recognized statistical rating organization,” as such term is defined for purposes of Rule 436(g)(2) under the Securities Act of 1933, as amended, which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(h) any event occurs, or information becomes known which, in the reasonable judgment of the Underwriters, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(i) any change or development occurs involving a prospective change in the condition of the Successor Agency, financial or otherwise, or in the operations of the Successor Agency from those set forth in the Official Statement that makes the Bonds, in the reasonable judgment of the Underwriters, impracticable or inadvisable to offer, sell or deliver the Bonds on the terms and in the manner contemplated by the Official Statement;

(j) (i) trading generally shall have been suspended or materially limited on or by, as the case may be, any of the New York Stock Exchange or the NASDAQ National Market; (ii) trading of any securities of the Successor Agency shall have been suspended on any exchange or in any over-the-counter market; (iii) a material disruption in securities settlement, payment or clearance services in the United States shall have occurred; (iv) any moratorium on commercial banking activities shall have been declared by federal or State of New York authorities; or (v) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis that, in the reasonable judgment of the Underwriters, is material and adverse and which, singly or together with any other event specified in this clause; makes it, in the judgment of the Underwriters, impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(k) the purchase of and payment for the Bonds by the Underwriters, or the resale of the Bonds by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(l) any action, suit or proceeding described in Sections 6(g) or 7(c) of this Purchase Contract is commenced which, in the reasonable judgment of the Representative, materially adversely affects the market for the Bonds.

Section 10. Closing Conditions. The Underwriters hereby enter into this Purchase Contract in reliance upon the representations and warranties of the Successor Agency and the Authority contained herein and the representations and warranties to be contained in the documents and instruments to be delivered on the Closing Date, and upon the performance by the Successor Agency, the Authority and the Trustee of their respective obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the obligations of the Underwriters under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations and warranties of the Successor Agency and the Authority contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Successor Agency, the Authority and the Trustee made in any certificate or document furnished pursuant to the provisions hereof, to the performance by the Successor Agency, the Authority and the Trustee of their respective obligations to be performed hereunder and under the Successor Agency Agreements, at or prior to the Closing Date, to the issuance, sale and delivery to the Underwriters of the Bonds, and also shall be subject to the following additional conditions:

(a) the Underwriters shall receive, within seven business days after the date hereof, copies of the Official Statement (including all information permitted to have been omitted from the Preliminary Official Statement by the Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriters), in such reasonable quantity as the Underwriters shall have requested;

(b) on the Closing Date, the representations, warranties, covenants and agreements of the Successor Agency and the Authority in this Purchase Contract shall be true, complete and correct on and as of the Closing Date; and the Successor Agency Agreements shall have been duly authorized, executed and delivered by the Successor Agency, all in substantially the forms heretofore submitted to the Underwriters, with only such changes as shall have been agreed to in writing by the Underwriters, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the Board of Directors of the Successor Agency as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(c) on the Closing Date, all necessary action of the Successor Agency relating to the execution and delivery of the Bonds will have been taken and will be in full force and effect and will not have been amended, modified or supplemented; and

(d) at or prior to the Closing Date, the Underwriters shall have received the following additional documents, in each case satisfactory in form and substance to the Underwriters:

(i) the Successor Agency Resolutions, together with a certificate of the Secretary of the Successor Agency, dated as of the Closing Date, to the effect that such resolutions

are true, correct and complete copies of the Successor Agency Resolutions duly adopted by the Successor Agency;

(ii) the Oversight Board Resolution, together with a certificate of the Secretary of the Oversight Board, dated as of the Closing Date, to the effect that such resolution is a true, correct and complete copy of the Oversight Board Resolution duly adopted by the Oversight Board;

(iii) Resolution of the Board of Supervisors of the City approving the issuance of the Bonds;

(iv) the Successor Agency Documents duly executed and delivered by the parties thereto;

(v) the Preliminary Official Statement, and the Official Statement duly executed by the Successor Agency;

(vi) the approving opinion of Bond Counsel, dated the Closing Date and addressed to the Successor Agency, in substantially the form attached to the Official Statement as Appendix E, together with a letter of Bond Counsel, addressed to the Representative and the Trustee to the effect that such opinion may be relied upon by the Underwriters and the Trustee to the same extent as if such opinion were addressed to them;

(vii) the supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Successor Agency and the Representative, substantially to the effect that: (A) this Purchase Contract, the Continuing Disclosure Certificate and the Escrow Agreements have been duly authorized, executed and delivered by the Successor Agency and are valid and binding agreements of the Successor Agency, enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights and by the application of equitable principles if equitable remedies are sought; (B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (C) the statements contained in the Official Statement under the captions "INTRODUCTION—General," "—Security and Sources of Payment for the Bonds" and "—Limited Obligations; Parity Debt," "THE BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "TAX MATTERS" and contained in Appendices __ and __, insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture and the final opinion of Bond Counsel concerning certain federal tax matters relating to the Bonds, are accurate in all material respects;

(viii) the opinion of counsel to the Successor Agency dated the Closing Date and addressed to the Representative, to the effect that: (A) the Successor Agency is duly organized and validly existing under the Constitution and laws of the State of California; (B) the Successor Agency Resolutions approving and authorizing the execution and delivery of the Successor Agency Agreements and the Preliminary Official Statement were duly adopted at meetings of the Successor Agency which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and are in full force and effect and have not been amended or repealed; (C) no material litigation is pending, with service of process having been accomplished or, to the knowledge of the Successor Agency, threatened,

concerning the validity of the Bonds, the corporate existence of the Successor Agency, or the title of the officers of the Successor Agency who will execute the Bonds as to their respective offices; (D) the execution and delivery of the Successor Agency Agreements and the Official Statement, the adoption of the Successor Agency Resolutions, the issuance of the Bonds and compliance by the Successor Agency with the provisions of the foregoing, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Successor Agency a breach or default under any agreement or other instrument to which the Successor Agency is a party (and of which such counsel is aware after reasonable investigation) or by which it is bound (and of which such counsel is aware after reasonable investigation) or under any existing law, regulation, court order or consent decree to which the Successor Agency is subject; (E) the Official Statement has been duly authorized, executed and delivered and the Bonds and the Successor Agency Agreements each have been duly authorized, executed and delivered by the Successor Agency and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the Successor Agency enforceable in accordance with their respective terms, subject to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought; (F) no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California having jurisdiction over the Successor Agency is required for the valid authorization, execution, delivery and performance by the Successor Agency of the Successor Agency Agreements, the valid issuance of the Bonds or the adoption of the Successor Agency Resolutions which has not been obtained; (G) the information in the Official Statement under the captions ["THE SUCCESSOR AGENCY," "THE PROJECT AREAS," "TAX REVENUES AND DEBT SERVICE," "CERTAIN RISK FACTORS," "—Subordination of ERAF," "LIMITATIONS ON TAX REVENUES" and "LITIGATION"] is true and accurate in all material respects; provided, however, that no opinion is expressed as to any financial or statistical information contained therein

(ix) an opinion of counsel to the Authority, dated the Closing Date and addressed to the Successor Agency and the Representative satisfactory in form and substance to Bond Counsel, the Successor Agency and the Underwriters, substantially to the following effect: (A) this Purchase Contract has been duly authorized, executed and delivered by the Authority and constitutes the valid, legal and binding agreement of the Authority enforceable in accordance with its terms; (B) the Authority is a joint powers authority duly organized and validly existing under the laws of the State of California; (C) the Authority Resolution approving and authorizing the execution and delivery of this Purchase Contract has been duly adopted and the Authority Resolution is in full force and effect and has not been modified, amended or rescinded; and (D) no action, suit, proceeding, hearing or investigation of which notice has been served on the Authority is pending or, to the best of my knowledge, threatened against the Authority: (a) in any way affecting the existence of the Authority or in any way challenging the respective powers of the several offices or the titles of the officials of the Authority to such offices; or (b) seeking to restrain or enjoin the issue of any of the Bonds;

(x) A negative assurance letter of Disclosure Counsel addressed to the Successor Agency and the Representative, to the effect that, based upon the information made available to Disclosure Counsel in the course of Disclosure Counsel's participation in the preparation of the Official Statement and without passing on and without assuming any responsibility for the accuracy, completeness and fairness of the statements in the Official Statement, and having made no independent investigation or verification thereof, no facts have come to Disclosure Counsel's attention that lead Disclosure Counsel to believe that, as of the Closing Date, the Official Statement

(except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, as to which no opinion or view need be expressed) contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that the Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture, is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(xi) the opinion of Underwriters' Counsel, dated the Closing Date and addressed to the Representative, to the effect that: (A) while Underwriters' Counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the information contained in the Official Statement and has not undertaken to verify the accuracy, completeness or fairness of, or independently verified the information contained in, the Official Statement and is therefore unable to make any representation to the Underwriters in that regard, Underwriters' Counsel has participated in conferences prior to the date of the Official Statement with representatives of the Underwriters, the Successor Agency, the Authority, Bond Counsel, Disclosure Counsel, the Fiscal Consultant (as such term is defined herein), the Trustee and their respective legal counsel and others, during which conferences the contents of the Official Statement and related matters were discussed and that, based upon the information made available to Underwriters' Counsel in the course of its participation in such conferences, review of the documents referred to above, reliance on the documents, letters, certificates and the opinions of counsel described in this Purchase Contract and Underwriters' Counsel's understanding of applicable law, as a matter of fact and not opinion, no information has come to the attention of the attorneys in Underwriters' Counsel's firm rendering legal services to the Underwriters with respect to the Bonds which caused Underwriters' Counsel to believe that the Official Statement as of its date contained, or as of the Closing Date contained, any untrue statement of a material fact, or as of its date omitted, or as of the Closing Date omitted, to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that Underwriters' Counsel expresses no view with respect to information related to any financial, statistical, engineering, or economic or demographic data or forecasts, numbers, charts, tables, estimates, projections, appraisals or assessed valuations or any information about CUSIP numbers, the rating on the Bonds, the book-entry system or The Depository Trust Company contained in the Official Statement, including any of the appendices thereto), and that, other than reviewing the various certificates and opinions required by Section 10(d) of the Purchase Contract regarding the Official Statement, Underwriters' Counsel has not taken any steps since the date of the Official Statement to verify the accuracy of the statements contained in the Official Statement as of the Closing Date; (B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended, are accurate in all material respects; and (C) the Continuing Disclosure Certificate to provide continuing disclosure with respect to the Bonds satisfies the requirements of Rule 15c2-12;

(xii) the opinion of counsel to U.S. Bank, dated the Closing Date and addressed to the Representative and the Successor Agency, to the effect that: (A) U.S. Bank has been duly incorporated as a national banking association, duly organized and validly existing and in good standing under the laws of the United States of America having the legal authority to exercise trust powers in the State of California and having full power and authority to enter into and to perform its duties as Trustee under the Indenture and as Escrow Trustee under the 2009A Escrow Agreement, the 2009E Escrow Agreement and the 2011 Escrow Agreement (the "U.S. Bank Escrow

Agreements”); (B) U.S. Bank has duly authorized, executed and delivered the Indenture and the U.S. Bank Escrow Agreements, and by all proper corporate action has authorized the acceptance of the trusts of the Indenture and the U.S. Bank Escrow Agreements; (C) the Indenture and the U.S. Bank Escrow Agreements constitute the legally valid and binding agreements of U.S. Bank, enforceable against it in accordance with their terms; (D) the Bonds have been validly authenticated, registered and delivered by the U.S. Bank; (E) no authorization, approval, consent or other order of the State of California or any other federal or State of California governmental authority or agency having jurisdiction over U.S. Bank, or, to such counsel’s knowledge after reasonable investigation, any other person or corporation, is required for the valid authorization, execution, delivery and performance by U.S. Bank of the Indenture and the U.S. Bank Escrow Agreements; and (F) the execution and delivery of the Indenture and the U.S. Bank Escrow Agreements, and compliance by U.S. Bank, with the provisions of the foregoing under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of U.S. Bank a breach or default under any agreements or other instrument to which U.S. Bank is a party (and of which such counsel is aware after reasonable investigation) or by which it is bound (and of which such counsel is aware after reasonable investigation) or any existing law, regulation, court order or consent decree to which U.S. Bank is subject;

(xiii) the opinion of counsel to BNY, dated the Closing Date and addressed to the Representative and the Successor Agency, to the effect that: (A) BNY has been duly incorporated as a national banking association, duly organized and validly existing and in good standing under the laws of the United States of America having the legal authority to exercise trust powers in the State of California and having full power and authority to enter into and to perform its duties as Escrow Trustee under the 2006 Escrow Agreement and the 2007 Escrow Agreement (the “BNY Escrow Agreements”); (B) BNY has duly authorized, executed and delivered the BNY Escrow Agreements, and by all proper corporate action has authorized the acceptance of the trusts of the BNY Escrow Agreements; (C) the BNY Escrow Agreements constitute the legally valid and binding agreements of BNY, enforceable against it in accordance with their terms; (D) no authorization, approval, consent or other order of the State of California or any other federal or State of California governmental authority or agency having jurisdiction over BNY, or, to such counsel’s knowledge after reasonable investigation, any other person or corporation, is required for the valid authorization, execution, delivery and performance by BNY of the BNY Escrow Agreements; and (E) the execution and delivery of the BNY Escrow Agreements, and compliance by BNY, with the provisions of the foregoing under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of BNY a breach or default under any agreements or other instrument to which BNY is a party (and of which such counsel is aware after reasonable investigation) or by which it is bound (and of which such counsel is aware after reasonable investigation) or any existing law, regulation, court order or consent decree to which BNY is subject;

(xiv) a certificate dated the Closing Date, signed by a duly authorized official of the Successor Agency, in form and substance satisfactory to the Underwriters, to the effect that, to the best of such official’s knowledge: (A) the representations and warranties of the Successor Agency contained in the Purchase Contract are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (B) the Successor Agency has complied with the requirements of the Successor Agency Agreements required to be complied with on and as of the Closing Date with respect to the Bonds; (C) no event affecting the Successor Agency has occurred since the date of the Official Statement which should be disclosed therein in order to make the statements therein not misleading in any respect; and (D) the financial statements of the

Successor Agency contained in the Official Statement fairly present the financial positions and results of operations thereof as of the dates and for the periods therein set forth, and such officer has no reason to believe that such financial statements have not been prepared in accordance with generally accepted accounting principles consistently applied;

(xv) a certificate of the Authority, dated the Closing Date, signed on behalf of the Authority by a duly authorized officer of the Authority to the effect that: (A) the representations, warranties and covenants of the Authority contained herein are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date; and (B) the Authority has complied with all of the terms and conditions of this Purchase Contract required to be complied with by the Authority at or prior to the Closing Date;

(xvi) a certificate, signed by a duly authorized official of U.S. Bank, dated the Closing Date, satisfactory in form and substance to the Underwriters, to the effect that: (A) U.S. Bank is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture and the U.S. Bank Escrow Agreements and to authenticate and deliver the Bonds to the Underwriters; (B) U.S. Bank is duly authorized to enter into the Indenture and the U.S. Bank Escrow Agreements and to execute and deliver the Bonds to the Underwriters pursuant to the Indenture; (C) the Bonds have been duly authenticated and delivered by U.S. Bank; (D) the execution and delivery of the Indenture and the U.S. Bank Escrow Agreements and compliance with the provisions on the part of U.S. Bank contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which U.S. Bank is a party or is otherwise subject (except that no representation or warranty is made with respect to any federal or state securities or blue sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by U.S. Bank pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and (E) to the best knowledge of U.S. Bank, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against it, affecting its existence, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution and delivery of the Bonds or the collection of revenues to be applied to pay the principal, premium, if any, and interest with respect to the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture or the U.S. Bank Escrow Agreements or contesting the powers of U.S. Bank or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds, the Indenture or the U.S. Bank Escrow Agreements or the power and authority of U.S. Bank to enter into and perform its respective duties under the Indenture and the U.S. Bank Escrow Agreements and to authenticate and deliver the Bonds to the Underwriters;

(xvii) certificate, signed by a duly authorized official of BNY, dated the Closing Date, satisfactory in form and substance to the Underwriters, to the effect that: (A) BNY is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the BNY Escrow Agreements; (B) BNY is duly authorized to enter into the BNY Escrow

Agreements; (C) the execution and delivery of the BNY Escrow Agreements and compliance with the provisions on the part of BNY contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which BNY is a party or is otherwise subject (except that no representation or warranty is made with respect to any federal or state securities or blue sky laws or regulations); and (D) to the best knowledge of BNY, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against it, affecting its existence, or the titles of its officers to their respective offices or in any way contesting or affecting the validity or enforceability of the BNY Escrow Agreements or contesting the powers of BNY or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the BNY Escrow Agreements or the power and authority of BNY to enter into and perform its duties under the BNY Escrow Agreements;

(xviii) a certificate of Urban Analytics LLC (the “Fiscal Consultant”) to the effect that the report of the Fiscal Consultant (the “Report”) contained in the Official Statement and the information set forth under the captions [“THE PROJECT AREAS,” “TAX REVENUES AND DEBT SERVICE” and “CERTAIN RISK FACTORS—Concentration of Tax Base,” “— Subordination of ERAF,” “— Reduction in Tax Base on Assessed Values” and “— Appeals to Assessed Values”] in the Official Statement do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, consenting to the use of the Report in the Preliminary and Official Statement and stating that to the best of the Fiscal Consultant’s knowledge, nothing has to come the Fiscal Consultant’s attention between the date of such Report and the Closing Date which would materially alter any of the conclusions set forth in the Report;

(xix) a letter from S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, confirming that the Bonds have the rating set forth in the Official Statement;

(xx) the Report of Proposed Debt Issuance Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855(i) and 53583 of the Government Code of the State of California;

(xxi) the Blanket Letter of Representations of the Successor Agency to DTC, relating to the book-entry only system for the Bonds;

(xxii) evidence of the action taken by the DOF approving the Oversight Board Resolution;

(xxiii) a certificate of the Auditor-Controller of the City certifying the assessed valuations of the property located within the Mission Bay North Project Area, and the gross tax revenues for the fiscal year ended June 30, 2016 for the Mission Bay North Project Area;

(xxiv) a certificate of the Auditor-Controller of the City certifying the assessed valuations of the property located within the Mission Bay South Project Area, and the gross tax revenues for the fiscal year ended June 30, 2016 for the Mission Bay South Project Area;

(xxv) one or more defeasance opinions of Bond Counsel addressed to the Authority, the Underwriters and the Successor Agency to the effect that the Prior Bonds have been legally defeased in accordance with the agreements pursuant to which such Prior Bonds were issued, and the corresponding payments owed by the Successor Agency under the applicable Existing Loan Agreement have been paid and have ceased to be entitled to the pledge of Tax Revenues thereunder;

(xxvi) a report, dated the date of the Closing, of _____, independent certified public accountants, to the effect that it has verified the mathematical computations concerning the adequacy of the maturing principal amounts of the government obligations, together with other moneys, if any, to be deposited in the applicable escrow fund under the Escrow Agreements to pay when due pursuant to the stated maturity or call for redemption the principal of and interest and premium with respect to the Prior Bonds and the corresponding payments owed under the Existing Loan Agreements;

(xxvii) executed copies of the Policy and the Reserve Policy;

(xxviii) an opinion of counsel to the Insurer, in form and substance satisfactory to the Successor Agency and the Representative, that the Policy and the Reserve Policy have been duly authorized, executed and delivered by the Insurer and are legally valid and binding against the Insurer;

(xxix) one or more opinions or certificates of the Insurer as to the accuracy of the information in the Official Statement relating to the Insurer, the Policy and the Reserve Policy; and

(xxx) such additional legal opinions, certificates, instruments or evidences thereof and other documents as Underwriters' Counsel or Bond Counsel may reasonably request to evidence the due authorization, execution and delivery of the Bonds and the conformity of the Indenture with the terms of the Bonds, all as summarized in the Official Statement.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract will be deemed to be in compliance with the provisions hereof if and only if they are in form and substance satisfactory to the Underwriters.

If the Successor Agency shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Contract or if the Underwriters' obligations shall be terminated for any reason permitted herein, all obligations of the Underwriters hereunder may be terminated by the Underwriters at, or at any time prior to, the Closing Date by written notice to the Successor Agency and neither the Underwriters nor the Successor Agency shall have any further obligations hereunder, except the respective obligations of the parties set forth in Section 11.

Section 11. Expenses. The Successor Agency will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Successor Agency Legal Documents (other than this Purchase Contract); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Municipal Advisor, Fiscal Consultant and any other experts or other consultants retained by the Successor Agency; (c) the costs and fees of the credit rating agencies; (d) the cost of preparing and delivering the definitive Bonds; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any

amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters' out-of-pocket expenses incurred with the financing; (h) the fees of [Digital Assurance Certification LLC] for a continuing disclosure undertaking compliance review; and (i) expenses (included in the expense component of the spread) incurred on behalf of the Successor Agency's employees which are incidental to implementing this Purchase Contract including expenses incurred for the rating presentation and the investor presentation. The Underwriters will pay the expenses of the preparation of this Purchase Contract and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, and the fee and disbursements of Underwriters' Counsel. The Underwriters are required to pay the fees of the California Debt and Investment Advisory Commission in connection with the offering of the Bonds. The Successor Agency acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider such fees. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the Successor Agency agrees to reimburse the Underwriters for such fees.

The Underwriters shall pay, and the Successor Agency shall be under no obligation to pay, all expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds.

Section 12. Notices. Any notice or other communication to be given to the Successor Agency or the Authority under this Purchase Contract may be given by delivering the same in writing at the Successor Agency's or the Authority's respective addresses set forth above, and any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to the Representative at [ADDRESS], Attention: _____.

Section 13. Parties in Interest. This Purchase Contract is made solely for the benefit of the Successor Agency and the Underwriters (including the successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations and warranties of the parties hereto contained in this Purchase Contract shall remain operative and in full force and effect, regardless of: (a) any investigations made by or on behalf of the Underwriters or the Successor Agency; or (b) delivery of and payment for the Bonds. The agreements contained in Section 11 herein shall survive any termination of this Purchase Contract.

Section 14. Severability. In the event that any provision of this Purchase Contract shall be held or deemed to be invalid, inoperative or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 15. Governing Law; Venue. This Purchase Contract shall be governed and interpreted exclusively by and construed in accordance with the laws of the State of California applicable to contracts made and to be performed in the State of California. Any and all disputes or legal actions or proceedings arising out of this Purchase Contract or any document related hereto shall be filed and maintained in a court of competent jurisdiction for matters arising in the City and County of San Francisco, California. By execution of and delivery of this Purchase Contract, the parties hereto accept and consent to the aforesaid jurisdiction.

Section 16. Execution in Counterparts. This Purchase Contract may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute the Purchase Contract by signing any such counterpart.

Section 17. Entire Agreement. This Purchase Contract, together with any contemporaneous written agreements and any prior written agreements (to the extent not superseded by this Purchase Contract) that relate to the offering of the Bonds, represents the entire agreement between the Successor Agency, the Authority and the Underwriters with respect to the preparation of the Official Statement, the conduct of the offering and the purchase and sale of the Bonds. In the event of a dispute between the parties under this Purchase Contract, the losing party in such dispute shall pay all reasonable costs and expenses incurred by the prevailing party in connection therewith, including but not limited to attorneys' fees.

Section 18. Fiduciary Duty. The Successor Agency acknowledges that in connection with the offering of the Bonds: (a) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction among the Successor Agency, the Authority and the Underwriters; (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as Municipal Advisors (as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended); (c) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Successor Agency or the Authority with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or is currently providing other services to the Successor Agency or the Authority on other matters); (d) the Successor Agency and the Authority have consulted their own legal, financial and other advisors to the extent that they have deemed appropriate; and (e) the Underwriters may have interests that differ from those of the Successor Agency and the Authority. The Successor Agency and the Authority waive to the full extent permitted by applicable law any claims that they may have against the Underwriters arising from an alleged breach of fiduciary duty in connection with the offering of the Bonds.

Section 19. Effectiveness. This Purchase Contract shall be effective as of the date set forth above upon the acceptance hereof by authorized officers of the Successor Agency and the Authority and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

PIPER JAFFRAY & CO., as Representative of the Underwriters

By: _____
Authorized Representative

Accepted this ___ day of February, 2017 at _____ p.m.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Executive Director, Finance and Administration

CITY AND COUNTY OF SAN FRANCISCO
REDEVELOPMENT FINANCING AUTHORITY

By: _____
Treasurer

SCHEDULE I

\$ _____

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2017 SERIES C TAXABLE TAX ALLOCATION BONDS
(MISSION BAY NEW MONEY AND REFUNDING HOUSING PROJECTS)

Maturity Date
(August 1)

Amount

Rate

Yield

Price

\$ _____ % Term Bonds Due August 1, 20__ – Yield: ____%; Price: _____^(c)

EXHIBIT A

\$ _____

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2017 SERIES C TAXABLE TAX ALLOCATION BONDS
(MISSION BAY NEW MONEY AND REFUNDING HOUSING PROJECTS)**

**FORM OF THE CERTIFICATE
REGARDING PRELIMINARY OFFICIAL STATEMENT**

The undersigned hereby states and certifies:

1. That he is the duly appointed, qualified and acting Deputy Executive Director, Finance and Administration of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

2. That there has been delivered to Piper Jaffray & Co. as representative of itself and Stinson Securities, LLC, as underwriters (the "Underwriters") of the captioned Bonds, a Preliminary Official Statement, relative to the captioned Bonds, dated February 14, 2017 (including the cover page and all appendices thereto, in printed form and in electronic form, which is consistent in all material forms to the printed form, the "Preliminary Official Statement"), which the Successor Agency, deems final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12; and

3. The Successor Agency hereby approves the use and distribution by the Underwriters of the Preliminary Official Statement.

Dated: February 14, 2017

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO**

By: _____
Deputy Executive Director, Finance and
Administration