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RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

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

MASTER DEVELOPMENT AGREEMENT
(ALICE GRIFFITH REPLACEMENT PROJECTS)

by and among

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO,
a public body organized and existing under the laws of the State of California,

HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO,
a public body, corporate and politic,

DOUBLE ROCK VENTURES, LLC,
a Delaware limited liability company,

and

CP DEVELOPMENT CO., LP,
a Delaware limited partnership
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MASTER DEVELOPMENT AGREEMENT
(ALICE GRIFFITH REPLACEMENT PROJECTS)

This MASTER DEVELOPMENT AGREEMENT (ALICE GRIFFITH REPLACEMENT PROJECTS) (as amended from time to time in accordance herewith, this “Agreement”), dated as of _____, 2014 (the “Effective Date”), is made by and among the Agency, the Authority, Alice Griffith Developer and Master Developer. Certain capitalized terms used in this Agreement are defined or cross-referenced in Section 1. Capitalized terms used but not otherwise defined in this Agreement are defined in the Master DDA. The Parties enter into this Agreement with reference to the following facts and circumstances:

RECITALS

A. The Authority is a public housing authority formed pursuant to California Health and Safety Code section 34200 et seq., and governed by certain regulations promulgated by the United States Department of Housing and Urban Development (“HUD”). The Authority’s governing board, the Authority Commission, is appointed by the Mayor of the City.

B. The Agency is the successor agency to the Redevelopment Agency of the City and County of San Francisco, a public body, corporate and politic, of the State of California (the “Redevelopment Agency”). The Agency exercises land use, development and design approval authority for its “Major Approved Development Projects”, which include the Master Project. The Agency’s governing board, the Agency Commission, is appointed by the Mayor of the City, subject to confirmation by a majority of the Board of Supervisors. As of the Effective Date, the Agency is commonly referred to as the Office of Community Investment and Infrastructure and the Agency Commission is commonly referred to as the Commission on Community Investment and Infrastructure.

C. The Authority is the owner of the two hundred fifty six (256) residential units, and ancillary improvements, at the Alice Griffith public housing development (collectively, the “Existing Alice Griffith Development”).

D. Alice Griffith Developer was formed in connection with development of the Alice Griffith Replacement Projects, which are intended to replace the Existing Alice Griffith Development as more particularly described herein.

E. Under the Master DDA, Master Developer is “master developer” of the Master Project, of which the Alice Griffith Replacement Projects are a part.

F. Improving the quality of life of the residents of Bayview Hunters Point, also known as BVHP, including residents of the Existing Alice Griffith Development, is one of the City’s, the Authority’s and the Agency’s highest priorities. On June 3, 2008, the City’s voters passed Proposition G, which, among other things, encouraged the replacement of the Existing Alice Griffith Development as a part of the development of the Master Project.

G. The Authority, the City and the Redevelopment Agency entered into that certain Memorandum of Understanding for the Proposed Redevelopment of Alice Griffith Public
Housing dated as of July 8, 2010 (the “Cooperation MOU”), which sets forth the respective parties’ desire to cooperate in the planning of the proposed redevelopment of the Alice Griffith Site and replacement of the Existing Alice Griffith Development.

H. The Redevelopment Agency and Master Developer entered into the Master DDA, which provides for the redevelopment of Candlestick Point and Phase 2 of the Hunters Point Shipyard, all as more particularly described therein. The Alice Griffith Site is part of Candlestick Point. Under the Master DDA, Master Developer serves as the master developer of the Master Project. As more particularly described below, the Agency is the successor to the Redevelopment Agency under the Cooperation MOU and the Master DDA.

I. The Master DDA contemplates the transformation of the Alice Griffith Site into approximately one thousand one hundred twenty-six (1,126) new units of housing, including the one-for-one replacement of each of the existing two hundred fifty six (256) units at the Existing Alice Griffith Development. The Master DDA contemplates such replacement units being constructed as part of a multi-phased, five hundred four (504) unit project that consists of two hundred fifty six (256) Alice Griffith Replacement Units and two hundred forty eight (248) Affordable Units targeted to households earning no more than sixty percent (60%) of Area Median Income, all as more particularly described therein. This Agreement constitutes the “Alice Griffith DDA” contemplated under the Master DDA.

J. The Master DDA requires Master Developer to construct certain park improvements and other infrastructure within the Alice Griffith Site, including infrastructure to support the Alice Griffith Replacement Projects, and further obligates Master Developer and the Agency to provide certain funds for the development of the Alice Griffith Replacement Projects, subject to certain requirements set forth, and as more particularly described, therein.

K. The Master DDA contemplates formation of an Alice Griffith Developer (as defined in the Master DDA) that would facilitate construction of the Alice Griffith Replacement Projects, with such formation being under an arrangement between Master Developer and a Qualified Housing Developer approved by the Agency. On or about October 23, 2012, the Agency approved Double Rock Ventures, LLC as such Alice Griffith Developer, and MBS as a Qualified Housing Developer.

L. The Authority, Master Developer and MBS entered into that certain Exclusive Negotiating Rights Agreement dated as of October 14, 2010 (as amended, the “ENRA”), providing, among other things, Master Developer and MBS the exclusive right to negotiate with the Authority for the potential redevelopment of the Existing Alice Griffith Development in accordance with the ENRA and the applicable requirements of the Master DDA and the Cooperation MOU. Master Developer and MBS assigned all of their respective rights and interests under the ENRA to Alice Griffith Developer. This Agreement constitutes the “MDA” contemplated and as defined in the ENRA.

M. Under Assembly Bill No. 1X 26 (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. S194861, all redevelopment agencies in the State of California, including the 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, which AB 26 charged with satisfying enforceable obligations of the former redevelopment agencies.

N. In June 2012, the California Legislature adopted legislation amending AB 26 as a trailer bill to the State’s budget bill for the 2012-2013 fiscal year, known as Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session) (“AB 1484”), and the Governor signed that bill on June 27, 2012. While AB 26 defined the successor agency to be the sponsoring community, AB 1484 provided that (i) the successor agency is a separate public entity from the public agency that provides for its governance and the two entities shall not merge, (ii) the successor agency has its own name and the capacity to sue and be sued, (iii) the successor agency succeeds to the organizational status of the former redevelopment agency but without any legal authority to participate in redevelopment activities except to complete the work related to an approved enforceable obligation, and (iv) the successor agency is a local entity for purposes of the Ralph M. Brown Act.

O. Pursuant to AB 26 and AB 1484, the Agency was designated as the successor agency to receive the non-affordable housing assets and certain retained affordable housing assets of the Redevelopment Agency, and the Agency succeeded, by operation of law, to the Redevelopment Agency’s rights, title and interest in the Master DDA and the Cooperation MOU, without the necessity for any assignment or other action on the part of any party. On October 2, 2012, the Board of Supervisors adopted Ordinance 215-12 (File No. 120898) acknowledging that the Agency is a separate legal entity, creating the Agency Commission as the commission and policy body of the Agency and delegating to the Agency Commission the authority to act in place of the former Redevelopment Agency Commission to implement certain projects, including the Master Project. As required by AB 26, the City also established the oversight board of the Agency (the “Oversight Board”).

P. The Master DDA is an enforceable obligation within the meaning of AB 26 and AB 1484 (“Enforceable Obligations”), and was in existence before June 28, 2011. The Oversight Board has recognized and approved the Master DDA as an Enforceable Obligation, and has approved the recognized obligation payment schedules that include various obligations and commitments relating to such Enforceable Obligation. On December 13, 2012, the California Department of Finance provided written confirmation that this determination of enforceability is final and conclusive in accordance with California Health and Safety Code section 34177.5(i).

Q. California Health and Safety Code section 34177 provides that the Agency, as a successor agency, is required to (i) perform obligations required pursuant to any Enforceable Obligation, and (ii) continue to oversee development of properties until the contracted work has been completed. Under the Master DDA, the Agency is obligated to enter into the Alice Griffith DDA (i.e., this Agreement).

R. The Agency has determined that this Agreement is in furtherance of and is necessary to complete an Enforceable Obligation that existed before June 28, 2011, and is in the best interests of the Agency and the taxing entities.
S. The Existing Alice Griffith Development is located at 207 Cameron Way in San Francisco, California on real property owned by the Authority, which real property is referred to herein as the SFHA Property. Adjacent to the SFHA Property is the Agency Property (which includes real property acquired from State Parks and State Lands as contemplated under the Master DDA) and the Port Property, and the SFHA Property surrounds the City Property. The Agency Property, the City Property and the Port Property are vacant and unimproved. All such property comprises the Alice Griffith Site and is generally depicted in Exhibit A.

T. The Cooperation MOU, the ENRA and the Master DDA contemplate the reconfiguration of the Alice Griffith Site into a mixed-use neighborhood that includes a mixture of Market-Rate Units and public housing and other Below-Market Rate Units, all as more particularly described therein, with the Agency being responsible for assembling certain real property required therefor.

U. Under the Master DDA, Master Developer is responsible for the master development of the Master Project, including by undertaking certain work necessary to permit construction of new homes, office and retail uses, and other improvements. Such work includes creating separate legal parcels in accordance with the CP/HPS Subdivision Code, grading and soil compacting such parcels, constructing necessary supporting infrastructure, including parks and open space, and conveying certain real property to Vertical Developers (as defined in the Master DDA) for the development of new homes, office and retail uses, and other improvements. In addition, Master Developer is responsible for improving certain Lots on which Affordable Units will be developed, including Agency Lots, on which Agency Affordable Projects will be developed, and Alice Griffith Lots, on which the Alice Griffith Replacement Projects will be developed, all as more particularly described therein.

V. Under the Master DDA, Master Developer must submit certain applications and other documents required in connection with the design and development of the infrastructure and other improvements described therein and obtain approval of same from the Agency and other Governmental Entities. Following receipt of a Sub-Phase Approval, Master Developer is required to Commence and Complete the infrastructure and other improvements covered thereby in accordance with the Master DDA’s Schedule of Performance, and provide the Agency with Adequate Security covering Master Developer’s obligations under the Master DDA for the Sub-Phase, all as more particularly described in the Master DDA.

W. As of the Effective Date, Master Developer has obtained a Sub-Phase Approval for the Sub-Phase commonly referred to as Sub-Phase CP-01, pursuant to which Master Developer has undertaken certain site development work and Commenced construction of certain infrastructure on the Agency Property and, pursuant to the Existing License Agreement, on a portion of the SFHA Property, and Master Developer has commenced the process to subdivide such land to create the Alice Griffith Lots referred to as Blocks 1, 2, 4 and 5 (the locations of which are generally depicted on Exhibit B). As of the Effective Date, infrastructure for the remaining portions of the Alice Griffith Site are anticipated to be developed under the Master DDA as Sub-Phases CP-05, CP-08 and CP-09; such Sub-Phases are more particularly described in the Master DDA’s Phasing Plan.
X. Under the Master DDA, Master Developer and the Agency are responsible for paying or arranging for certain subsidies and other amounts to be used for the costs of Completing of the Alice Griffith Replacement Projects, as more particularly described therein. As of the Effective Date, the Master Developer Subsidy is equal to (i) ninety thousand dollars ($90,000) for each of the two hundred fifty six (256) Alice Griffith Replacement Units and (ii) seventy thousand dollars ($70,000) for each of the two hundred forty eight (248) Subsidized Agency Affordable Units in the Alice Griffith Replacement Projects, plus such Cost Overruns with respect thereto for which Master Developer is responsible under the Master DDA.

Y. MBS and the Authority submitted an application (the “Choice Grant Application”) to HUD for a Choice Neighborhoods Initiative Implementation Grant (the “Choice Grant”) with respect to HUD’s Choice Neighborhoods Initiative (“CNI”). Master Developer and others were identified as “Principal Team Members” in the Choice Grant Application. The Choice Grant Application was successful, and the Authority and MBS signed a grant agreement with HUD dated March 27, 2012 with respect to the administration and implementation of the Choice Grant (as amended from time to time, the “Choice Grant Agreement”). MBS further entered into an Agreement Regarding Disbursement of Choice Funds with the City and with the First American Title Insurance Company dated as of August 8, 2013 (as amended from time to time, the “Choice Disbursing Agreement”) establishing certain terms regarding the administration and disbursement of the Choice Grant.

Z. The Authority, with the assistance of MBS and Alice Griffith Developer, submitted an application to HUD to allow the first two Alice Griffith Phases (as defined below) to participate in HUD’s RAD program. The RAD application was successful, and HUD issued a Commitment to Enter into a Housing Assistance Payments Contract (a “CHAP”) for each such Alice Griffith Phase on, or about, April 30, 2014.

AA. As more particularly described herein, the Alice Griffith Replacement Projects are to be built on the Alice Griffith Lots in a series of phases (each, as more particularly defined in Article 1, an “Alice Griffith Phase”). For each Alice Griffith Phase, Alice Griffith Developer will form or arrange for the formation of an “Alice Griffith Phase Owner”, an Entity that will be responsible for Completing such Alice Griffith Phase.

BB. The Authority and each Alice Griffith Phase Owner will enter into a Ground Lease related to the development and operation of the Alice Griffith Phase for which such Alice Griffith Phase Owner is responsible, as more particularly described herein. Subject to the satisfaction of all conditions precedent set forth herein, the Ground Lease for an Alice Griffith Phase will be executed on or about the same date on which the Alice Griffith Phase Owner for such Alice Griffith Phase enters into a series of documents (the “Alice Griffith Phase Closing Documents”) with the Authority, the Agency, the City, HUD, one or more private lenders and/or equity investors and/or such other Persons as applicable to document the financial commitments and regulatory obligations for such Alice Griffith Phase (the “Alice Griffith Phase Closing”).

CC. As more particularly described herein, upon Completion of any Alice Griffith Replacement Project, a specified number of residents of the Existing Alice Griffith Development will be relocated to Completed Alice Griffith Replacement Units in accordance with the
Relocation Plan, with all residents of the Phase 1 Demo Buildings being relocated prior to
relocation of the residents of the Phase 2 Demo Buildings.

DD. Upon relocation of all residents in the Phase 1 Demo Buildings in accordance
with the Relocation Plan, the Authority will convey the Phase 1 Demo Buildings Land (but not
including the Alice Griffith Lots therein), to the Agency and/or Master Developer, and upon
relocation of all residents in the Phase 2 Demo Buildings in accordance with the Relocation Plan,
the Authority will convey the Phase 2 Demo Buildings Land to the Agency and/or Master
Developer, all as more particularly described herein.

EE. Following conveyance of the Phase 1 Demo Buildings Land (but not including the
Alice Griffith Lots therein) and the Phase 2 Demo Buildings Land to the Agency and/or Master
Developer, Master Developer and the Agency will develop such real property under and in
accordance with the Master DDA, including by Master Developer constructing infrastructure and
parks thereon and conveying Lots to Vertical Developers that will construct Market-Rate,
Workforce and Affordable Units thereon, all as more particularly described therein.

FF. Under Resolution No. 4967 adopted by the Authority Commission on
February 22, 2001 ("Resolution 4967"), the Authority established, among other matters, a goal
that contractors, in conjunction with their subcontractors, hire Authority residents such that
Authority residents constitute a minimum of twenty five percent (25%) of the total workforce
(calculated by person-hours) on all contracts covered by Resolution 4967.

GG. Under the Master DDA, Master Developer and certain other Persons involved in
the development of the Master Project are required to comply with certain Agency policies,
including the Bayview Hunters Point Employment and Contracting Policy, adopted by the
Agency Commission on December 4, 2007 under resolution number 127-2007 and as revised
under the Master DDA (the "BVHP ECP"). The BVHP ECP establishes a goal that fifty percent
(50%) of construction workforce hires for each trade be qualified BVHP Residents and requires
Master Developer and its contractors and subcontractors to use good faith efforts to cause fifty
percent (50%) of its construction workforce hours by trade be performed by qualified BVHP
Residents, then residents of the 94123 and 94107 zip code areas, then residents of other existing
Agency redevelopment project areas, and then San Francisco Residents with First Consideration
to BVHP Residents (all as defined and more particularly described in the BVHP ECP). Alice
Griffith residents and other public housing residents are BVHP Residents and are thus given First
Consideration under the BVHP ECP.

HH. The Authority, the Agency and the City, acting by and through its Mayor’s Office
of Housing and Community Development ("MOHCD") and its Office of Economic and
Workforce Development ("OEWD"), are party to that certain Interagency Memorandum of
Understanding (Alice Griffith Replacement Projects) dated as of the Effective Date (as amended
from time to time in accordance with the terms hereof and thereof, the "Workforce MOU"),
pursuant to which the parties thereto agreed, among other things, on the roles and responsibilities
of such parties with respect to workforce hiring requirements for the development of the Alice
Griffith Replacement Projects and certain portions of the Master Project on the Alice Griffith
Site, all as more particularly described therein. Alice Griffith Developer, Alice Griffith Phase
Owners and Master Developer are subject to the Workforce MOU with respect to the
development described therein. A copy of the Workforce MOU as in effect on the Effective Date is attached as Exhibit F.

II. While the Master DDA contemplates the assembly of the Alice Griffith Site and the development of the Alice Griffith Replacement Projects as described above, it also contemplates the execution of an Alice Griffith DDA (i.e., this Agreement) that governs the timing and description of the Alice Griffith Replacement Projects and other related matters. Further, the Authority and Alice Griffith Developer are not parties to the Master DDA.

JI. Accordingly, the Parties desire to enter into this Agreement in order to facilitate the reconfiguration of the Alice Griffith Site, including through (i) subdivision of the Alice Griffith Site in accordance with the CP/HPS Subdivision Code to create within the Alice Griffith Site new public and private streets, Open Space Lots, Alice Griffith Lots, and Market Rate Lots, among other things, (ii) conveyance by the Agency to the Authority of portions of the Alice Griffith Lots owned or acquired by the Agency, (iii) conveyance by the Authority to the Agency and/or Master Developer of the portions of the Alice Griffith Site owned or acquired by the Authority, other than the Alice Griffith Lots, and (iv) development of the Alice Griffith Replacement Projects, all as more particularly described herein.

AGREEMENT

ACCORDINGLY, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Definitions.

"$" is defined in Section 16.22.

"AB 1484" is defined in the Recitals.

"AB 26" is defined in the Recitals.

"Affiliate" means, with respect to a specified Person, any other Person that directly or indirectly Controls, is Controlled by or is under Common Control with such specified Person.

"Agency" means the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body organized and existing under the laws of the State of California, or any successor designated by or under law.

"Agency Alice Griffith Loan Agreement" means, with respect to an Alice Griffith Phase, the loan agreement between the Agency, as lender, and the applicable Alice Griffith Phase Owner, as borrower, regarding funds loaned by the Agency for the development of such Alice Griffith Phase. The Agency Alice Griffith Loan Agreements for Alice Griffith Phase 1 and Alice Griffith Phase 2 are attached as Exhibit M and will be used as the form of Alice Griffith Loan Agreement for future Alice Griffith Phases, as further described in Section 11.4.2.

"Agency Approval" is defined in Section 16.21(e).
“Agency Commission” means the Commission on Community Investment and Infrastructure, or any successor governing body of the Agency designated by or under law.

“Agency Director” means the Executive Director of the Agency, or any successor executive officer of the Agency designated by or under law.

“Agency Property” means, as of any applicable date of determination, the real property in the Alice Griffith Site owned by the Agency. As of the Effective Date, the Agency Property consists of that certain area of the City generally depicted on Exhibit A and more particularly described on Exhibit A-1. The Agency Property will be revised from time to time pursuant to the effect of the transactions described in Article 4, and in connection therewith the Parties shall update the legal description attached as Exhibit A-1. The Parties acknowledge and agree that the legal description attached hereto as Exhibit A-1 as of the Effective Date includes lands outside of the Alice Griffith Site that are not subject to this Agreement.

“Agency Alice Griffith Subsidy” means a subsidy for the Alice Griffith Replacement Projects payable or arranged by the Agency in such amount, at such time and in such manner as is required by this Agreement and as provided under the Master DDA, including Cost Overruns for which the Agency is responsible under the Master DDA.

“Agency Transfer Property” means the portion of the Agency Property within the Alice Griffith Sites. The Agency Transfer Property as of the Effective Date is generally depicted on Exhibit C-3. The Agency Transfer Property will be revised from time to time pursuant to the effect of the transactions described in Article 4.

“Agreement” is defined in the preamble.

“Alice Griffith Developer” means Double Rock Ventures, LLC, a Delaware limited liability company, or its Transferee in accordance herewith.

“Alice Griffith Developer Authorization” is defined in Section 10.3.

“Alice Griffith Infrastructure Financing” is defined in Section 11.4.4.

“Alice Griffith Lots” means certain real property in the Alice Griffith Site on which the Alice Griffith Replacement Projects will be developed, as such real property is generally depicted on Exhibit B and will be modified from time to time under Article 4.

“Alice Griffith Phase” means a phase of the Alice Griffith Replacement Projects to be developed and operated by a particular Alice Griffith Phase Owner in accordance with the Master Phasing Plan. “Alice Griffith Phase 1”, “Alice Griffith Phase 2”, etc., refer to particular Alice Griffith Phases as identified in the Master Phasing Plan.

“Alice Griffith Phase Closing” is defined in the Recitals.

“Alice Griffith Phase Closing Documents” is defined in the Recitals.

“Alice Griffith Phase Owner” is defined in the Recitals.
“Alice Griffith Phase Site” means a portion of the Authority Property subject to a particular Ground Lease between the Authority and an Alice Griffith Phase Owner on which a particular Alice Griffith Phase is to be developed and operated. Each Alice Griffith Phase Site will be comprised of one or more Alice Griffith Lots.

“Alice Griffith Replacement Project(s)” shall mean, collectively, all of the Alice Griffith Phases developed or anticipated to be developed pursuant to this Agreement, which shall at a minimum contain all of the Alice Griffith Replacement Units and may include other uses as described in Section 11.11.

“Alice Griffith Replacement Units” shall mean the two hundred fifty six (256) newly constructed rental units intended to replace the existing two hundred fifty six (256) units at the Existing Alice Griffith Development in accordance with applicable requirements of the Master DDA and of theChoice Grant Agreement.

“Alice Griffith Site” means that area of the City generally depicted on Exhibit A that is the subject of this Agreement. As of the Effective Date, the Alice Griffith Site consists of the Agency Property, the SFHA Property, the Port Property and the City Property.

“Applicable City Regulations” is defined in the BVHP Redevelopment Plan.

“Approval” is defined in Section 16.20.1.

“Arbitration Notice” is defined in Section 13.2.1.

“Arbitration Parties” is defined in Section 13.2.1.

“Authority” means the Housing Authority of the City and County of San Francisco, a public body, corporate and politic, or any successor designated by or under law.

“Authority Commission” means the Commission of the Authority, or any successor governing body of the Authority designated by or under law.

“Authority Director” means the Executive Director of the Authority, or any successor executive officer of the Authority designated by or under law.

“Authority Parties” is defined in Section 3.3.

“Bayview Hunters Point” or “BVHP” means the area of the City contained within zip codes 94124, 94134 and 94107, as such zip codes existed as of June 3, 2010.

“Board of Supervisors” means the Board of Supervisors of the City, or any successor governing body of the City designated by or under law.

“Business Day” means a day other than a Saturday, Sunday or other day on which national banks in California are closed to the public for carrying on substantially all business functions.
“BVHP ECP” is defined in the Recitals.

“BVHP Redevelopment Plan” means that certain Redevelopment Plan for the Bayview Hunters Point Redevelopment Project, approved and adopted by the Board of Supervisors by ordinance number 25-69 on January 20, 1969, as amended by the Board of Supervisors by ordinance numbers 280-70 on August 24, 1970, 475-86 on December 1, 1986, 417-94 on December 12, 1994 and 113-06 on June 1, 2006, and by the BVHP Plan Amendment, and as the same may be further amended from time to time consistent with the Master DDA.

“Cashflow MOU” means a Memorandum of Understanding by and among the Authority, the Agency, and the City regarding, among other things, the use of cashflow from the operation of an Alice Griffith Phase for the payment of rent under a Ground Lease, and repayment of loans provided by the Agency and the City, as the same may be amended from time to time in accordance with the terms thereof and subject to the Approval of Alice Griffith Developer and any applicable Alice Griffith Phase Owner. The form of the Cashflow MOU is subject to Approval of Alice Griffith Developer prior to execution and delivery thereof by the parties thereto.

“CCBA” means that certain Core Community Benefits Agreement dated as of May 30, 2008, among Master Developer, The San Francisco Labor Council, the San Francisco Organizing Project and the Alliance of Californians for Community Empowerment, as the same has been and may be further amended and supplemented from time to time.

“CCRL” means the California Community Redevelopment Law (California Health and Safety Code § 33000 et seq.).

“CEQA” means the California Environmental Quality Act, California Public Resources Code section 21000 et seq., and the Guidelines for the California Environmental Quality Act, California Code of Regulations, Title 14 section 15000 et seq., as amended from time to time.

“CHAP” is defined in the Recitals.

“Choice Disbursing Agreement” is defined in the Recitals.

“Choice Grant” is defined in the Recitals.

“Choice Grant Agreement” is defined in the Recitals.

“Choice Grant Application” is defined in the Recitals.

“City” means, as the context requires, (i) the City and County of San Francisco, a charter city of the State, or (ii) the territorial jurisdiction of the foregoing.

“City Property” means that certain area of the City generally depicted on Exhibit A and more particularly described on Exhibit A-4 and any interest held by the City in the streets within the Alice Griffith Site existing as of the Effective Date.

“CNI” is defined in the Recitals.
“Control” means the ownership (direct or indirect) by one Person and/or such Person and its Affiliates of day-to-day control of the activities of a Person coupled with a significant equity and voting interest in such Person. “Common Control” means that two Persons are both Controlled by the same other Person or Persons. “Controlled”, “Controlling Interest” and “Controlling” have correlative meanings.

“Cooperation MOU” is defined in the Recitals.

“CP/HPS Subdivision Code” means the Subdivision Code of the City and County of San Francisco for the Hunters Point Shipyard Project Area and Candlestick Point (San Francisco, California, Municipal Code Section 1600 et. seq.) and the regulations promulgated thereunder, as each may be amended from time to time.

“Default Termination Notice” is defined in Section 14.4.

“Defaulting Party” is defined in Section 14.1.

“Design for Development” means that certain Design for Development for Candlestick Point adopted on June 3, 2010 by the San Francisco Planning Commission and the Commission of the Redevelopment Agency, as the same may be amended from time to time.

“Developable Lot Delivery” is defined in Section 9.2.1.

“Developable Lot Post-Closing Conditions” is defined in Section 9.2.1.

“Developer Fee” means developer fee to be paid by each Alice Griffith Phase Owner to MBS or its Affiliate in its capacity as developer of each Alice Griffith Phase. Developer Fee does not include “HOPE SF Master Planning Fee” or equivalent fee previously paid or to be paid to MBS outside the budget of a particular Alice Griffith Phase.

“DGP” is defined in Section 11.3.

“Dispute” is defined in Section 13.2.1.

“dollars” is defined in Section 16.22.

“DRDAP” means the design review and document approval procedures under the Master DDA for the Master Project attached to the Master DDA as exhibit E, as may be amended or supplemented from time to time in accordance with the terms of the Master DDA.

“EAHP” is defined in Section 11.10.

“Effective Date” is defined in the preamble.

“Enforceable Obligations” is defined in the Recitals.

“ENRA” is defined in the Recitals.
“Entity” means any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, real estate investment trust, joint-stock company, cooperative, association or other entity.

“Escrow” is defined in Section 6.2.1.

“Event of Default” is defined in Section 14.1.

“Excusable Delay” is defined in Section 9.2.2(b).

“Exhibit” means, individually or collectively as the context requires, each of the exhibits to this Agreement listed in the List of Exhibits, including any exhibits thereto, as they may be amended or supplemented from time to time in accordance with the terms thereof or of this Agreement.

“Existing Alice Griffith Development” is defined in the Recitals.

“Existing License Agreement” means that certain License Agreement (Alice Griffith Housing Development) by and between the Authority and Master Developer dated March 5, 2014, as amended by that certain First Amendment to License Agreement (Alice Griffith Housing Development) dated August 28, 2014, as the same may be amended from time to time.

“Existing Resident” means all of the following: (i) any household residing in a unit within the Existing Alice Griffith Development on October 26, 2010; (ii) subject to Section 5.3, any commercial occupant occupying a portion of the Existing Alice Griffith Development; and (iii) subject to Section 5.3, any other household residing within the Existing Alice Griffith Development as of the date of determination; and, in any case, that meets the definition of “displaced person” under Relocation Law.

“Final Cost Break-Down” is defined in Section 5.2.2(b).

“Final Financial Plan” is defined in the applicable Agency Alice Griffith Loan Agreement.

“Financing Plan” is defined in Section 12.2.

“Governmental Entity” means any court, administrative agency or commission, or other governmental or quasi-governmental organization with jurisdiction.

“Ground Lease” means a ground lease of an Alice Griffith Phase Site between the Authority, as lessor, and the applicable Alice Griffith Phase Owner, as lessee, entered into in accordance with this Agreement.

“Housing Act” means the United States Housing Act of 1937, as amended.

“HUD” is defined in the Recitals.
“HUD Requirements” means all requirements of HUD and Federal law, regulation or HUD guidance as applicable to the Alice Griffith Replacement Projects or a given element thereof (including, as applicable in a given context, requirements relating to the public housing program, the Choice Grant, RAD, Section 8 rental assistance, and/or Mixed Finance) including: the Housing Act; HUD regulations; the Authority’s Consolidated Annual Contributions Contract with HUD, including amendments or Mixed Finance amendments; the Choice Grant Agreement; the HUD-approved Declaration of Trust in favor of HUD (as may be amended); HUD notices; and all applicable Federal statutes, executive orders and regulatory requirements; as such requirements may be amended from time to time.

“JAMS” is defined in Section 13.2.1.

“JAMS Rules” is defined in Section 13.2.1.

“License Agreement” means a license to enter portions of the SFHA Property entered into in accordance with this Agreement, or, to the extent applicable, the Existing License Agreement.

“Losses” is defined in Section 3.3.

“Lot” means a parcel of land within the Alice Griffith Site that is a legal lot shown on a Subdivision Map.

“Master Budget” is defined in Section 9.4.

“Master DDA” means that certain Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) between the Agency and Master Developer dated for reference purposes as of June 3, 2010 and recorded in the Official Records on November 18, 2010 as Document No. 2010-J083660-00 at Reel K273, Image 427, as amended by that certain First Amendment to Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) dated as of December 19, 2012 and recorded in the Official Records on February 11, 2013 as Document No. 2013J601487 at Reel K831, Image 0490, as amended by that certain Second Amendment to Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) dated as of ______ and recorded in the Official Records on ______ as Document No. ______ at Reel ______ Image ______, as the same may be further amended or supplemented from time to time.

“Master Developer” means CP Development Co., LP, a Delaware limited partnership, or its Transferee in accordance herewith.

“Master Developer Authorization” is defined in Section 3.3.

“Master Developer Infrastructure Costs” is defined in Section 11.4.4.

“Master Developer Subsidy” means a subsidy for the Alice Griffith Replacement Projects payable by Master Developer in such amount, at such time and in such manner as is provided under the Master DDA. As of the Effective Date, the Master Developer Subsidy is equal to (i) ninety thousand dollars ($90,000) for each of the two hundred fifty six (256) Alice
Griffith Replacement Units and (ii) seventy thousand dollars ($70,000) for each of the two hundred forty eight (248) Subsidized Agency Affordable Units in the Alice Griffith Replacement Projects, plus such Cost Overruns with respect thereto for which Master Developer is responsible under the Master DDA.

"Master Phasing Plan" is defined in Section 9.1.

"Master Project" means the development of Candlestick Point and Phase 2 of the Hunters Point Shipyard, or any portion thereof, as permitted and/or contemplated under the Master DDA.

"Master Schedule" is defined in Section 9.2.

"MBS" means McCormack Baron Salazar, Inc., a Missouri corporation.

"MDP" is defined in Section 11.3.

"Mediation Request" is defined in Section 13.1.1.

"MGP" is defined in Section 11.3.

"MOHCD" is defined in the Recitals.

"Non-Approving Party" is defined in Section 13.1.

"Notice of Termination" is defined in Section 16.30.

"Notifying Party" is defined in Section 14.1.

"OEWD" is defined in the Recitals.

"Official Records" means the Official Records of the City and County of San Francisco maintained by the City's Recorder's Office.

"Operating Subsidy" means PBV Subsidy, Public Housing Subsidy and/or RAD Subsidy.

"Option Agreement" is defined in Section 16.5.

"Outside Date" is defined in Section 9.2.

"Oversight Board" is defined in the Recitals.

"Party" means, individually or collectively as the context requires, the Agency, the Authority, Alice Griffith Developer and Master Developer.

"PBV Subsidy" means project-based voucher rental assistance pursuant to Section 8(o)(13) of the Housing Act or successor program.
“Permitted Exceptions” means permitted title exceptions at a close of Escrow as set forth in Section 6.2.

“Person” means any natural person, Entity or Governmental Entity.

“Phase 1 Demo Buildings” means those buildings at the Existing Alice Griffith Development described as such in Exhibit C-1 and generally depicted in Exhibit C-2.

“Phase 1 Demo Buildings Land” means the portion of the SFHA Property on which the Phase 1 Demo Buildings are located and certain real property surrounding the Phase 1 Demo Buildings, as such portion is generally depicted on Exhibit C-2 (i.e., all of the SFHA Property as of the Effective Date other than the Phase 2 Demo Buildings Land) and will be modified from time to time under Article 4.

“Phase 2 Demo Buildings” means those buildings at the Existing Alice Griffith Development described as such in Exhibit C-1 and generally depicted in Exhibit C-2.

“Phase 2 Demo Buildings Land” means the portion of the SFHA Property on which the Phase 2 Demo Buildings are located and certain real property surrounding the Phase 2 Demo Buildings, as such portion is generally depicted on Exhibit C-2 (i.e., all of the SFHA Property as of the Effective Date other than the Phase 1 Demo Buildings Land or any portion of the SFHA Property subject to a Ground Lease) and will be modified from time to time under Article 4.

“Port” means the City acting by and through the San Francisco Port Commission.

“Port Property” means that certain area of the City owned by the Port generally depicted on Exhibit A and more particularly described on Exhibit A-3.

“Project MMRP” means, collectively, (i) the Mitigation, Monitoring and Reporting Program for the Master Project attached hereto as Exhibit G, as the same may be revised from time to time in accordance with state law and upon Agency Approval, the Approval of Master Developer and, with respect to an Alice Griffith Lot, Alice Griffith Developer; and (ii) the mitigation measures imposed by the Alice Griffith Redevelopment Project Final Environmental Impact Statement, as the same may be revised from time to time in accordance with federal law and upon Agency Approval, the Approval of Master Developer and, with respect to an Alice Griffith Lot, Alice Griffith Developer and, to the extent required under law, HUD and the Authority.

“Proposition G” means Proposition G, Mixed-Use Development Project for Candlestick Point and Hunters Point Shipyard, named the Bayview Jobs, Parks and Housing Initiative, passed by the voters of the City on June 3, 2008.

“Public Housing Subsidy” means operating subsidy made available pursuant to Section 9 of the Housing Act or successor program.

“Qualified Arbitrator” means a natural Person who (i) is not an Affiliate of any Party, (ii) is chosen in accordance with the procedures of JAMS and (iii) has at least ten (10) years of experience in acting as an arbitrator with respect to complex real estate transactions and public-
private financing, but, if the issue in dispute is primarily related to construction, then instead he or she shall have at least ten (10) years of experience in acting as an arbitrator with respect to construction disputes.

“Quitclaim Deed” means a quitclaim deed (i) with respect to certain SFHA Transfer Property from the Authority, as grantor, to the Agency, as grantee, or (ii) with respect to certain Agency Property from the Agency, as grantor, to the Authority, as grantee, in any case in substantially the form attached hereto as Exhibit E with only such changes as may be Approved by the Authority, the Agency and Master Developer.

“RAD” means HUD’s Rental Assistance Demonstration program, or successor program.

“RAD Subsidy” means Section 8 rental assistance pursuant to RAD.

“Receiving Party” means, with respect to a conveyance of the SFHA Transfer Property, the Agency and/or Master Developer, and, with respect to a conveyance of the Agency Transfer Property, the Authority.

“Redevelopment Agency” is defined in the Recitals.

“Redevelopment Documents” means: (a) the BVHP Redevelopment Plan; (b) the Candlestick Design for Development; and (c) the BVHP Plan Documents.

“Redevelopment Requirements” means (i) the applicable Redevelopment Documents, (ii) this Agreement, (iii) documents Approved under the DRDAP and (iv) applicable provisions of the CCRL.

“Rehabilitation Budget” is defined in Section 5.2.2(b).

“Rehabilitation Costs” is defined in Section 5.2.3(b).

“Rehabilitation Work” is defined in Section 5.2.2(b).

“Rehabilitation Work Cost Documentation” is defined in Section 5.2.2(b).

“Relocation Consultant” is defined in Section 5.2.1.

“Relocation Costs” is defined in Section 5.2.3(a).

“Relocation Cost Documentation” is defined in Section 5.2.3(a).

“Relocation Laws” is defined in Section 5.1.

“Relocation Plan” is defined in Section 5.1.

“Remaining Occupied Buildings” is defined in Section 5.2.2(b).

“Requesting Party” is defined in Section 13.1.
“Resolution 4967” is defined in the Recitals.

“Restricted Appraised Value” is defined in Section 11.2.3.

“SFHA Property” means, as of any applicable date of determination, the real property in the Alice Griffith Site owned by the Authority. As of the Effective Date, the SFHA Property consists of that certain area of the City generally depicted on Exhibit A and more particularly described on Exhibit A-2. The SFHA Property will be revised from time to time pursuant to the effect of the transactions described in Article 4, and in connection therewith the Parties shall update the legal description attached as Exhibit A-2.

“SFHA Transfer Property” means all of the real property owned or acquired by the Authority in the Alice Griffith Site, other than the Alice Griffith Lots. The SFHA Transfer Property as of the Effective Date is generally depicted on Exhibit C-4. The SFHA Transfer Property will be revised from time to time pursuant to the effect of the transactions described in Article 4.

“Significant Change” means, with respect to Master Developer or Alice Griffith Developer, as applicable, (i) such Person files a petition for bankruptcy, or makes a general assignment for the benefit of its creditors, (ii) a receiver is appointed on account of such Person’s insolvency, (iii) a writ of execution or attachment or any similar process is issued or levied against any bank accounts of such Person, or against any property or assets of such Person being used or required for use in the performance of such Person’s performance of its obligations under this Agreement or against any substantial portion of any other property or assets of such Person, (iv) a final non-appealable judgment is entered against such Person in an amount in excess of five million dollars ($5,000,000) and such Person does not satisfy or bond the judgment, or (v) without the consent of such Person, an application for relief is filed against such Person under any federal or state bankruptcy law, unless the application is dismissed within ninety (90) days.

“State” means, as the context requires, (i) the State of California, or (ii) the territorial jurisdiction of the foregoing.

“Subdivision Map” means a subdivision map as defined in the CP/HPS Subdivision Code.

“TCP” is defined in Section 11.3.

“Term” is defined in Section 2.

“Title Company” means Chicago Title Company, or such other reputable title company determined by the Parties from time to time, licensed to do business in the State and having an office in the City.

“Transfer” means to convey, transfer, sell, or assign as and to the extent permitted under this Agreement.

“Transferee” means any Person to whom a Transfer is made by a Party under this Agreement.
"Transfer Property" means the SFHA Transfer Property or the Agency Transfer Property, as applicable.

"Transferring Party" means, with respect to a conveyance of the SFHA Transfer Property, the Authority, and, with respect to a conveyance of the Agency Transfer Property, the Agency.

"UPCS" means the Uniform Physical Conditions Standards as established, and implemented by, HUD.

"Workforce MOU" is defined in the Recitals.

2. **Term of this Agreement.** The term of this Agreement (the "Term") shall commence upon the Effective Date and shall terminate, unless earlier terminated as provided below, on the date of: (i) the expiration of the BVHP Redevelopment Plan; (ii) termination of the Master DDA with respect to the Alice Griffith Site; (iii) for an Alice Griffith Lot, upon the Alice Griffith Phase Closing therefor (see Section 11 more particularly); (iv) with respect to any Lot conveyed by the Authority to the Agency or Master Developer hereunder, upon the closing of such conveyance; and (v) completion of all of the Alice Griffith Replacement Projects in accordance with the applicable Ground Leases, relocation of all Existing Residents in accordance with Article 5, conveyance of all Transfer Property in accordance with this Agreement, and completion of all infrastructure in the Sub-Phases that contain all Alice Griffith Replacement Projects as required under and in accordance with the Master DDA. This Agreement shall also terminate, in whole or in part, to the extent expressly provided in the other provisions of this Agreement. Notwithstanding the foregoing, any provision herein that explicitly survives the expiration of the Term, or the termination of this Agreement, shall remain in full force and effect with respect to the Parties (and, for the avoidance of doubt, an Alice Griffith Phase Owner is not a Party), and a Party's ability to utilize the remedies set forth herein to enforce such provisions shall remain in full force and effect.

3. **Construction of Infrastructure.**

3.1 **Master DDA.**

3.1.1 **Master DDA Controls.** The Parties acknowledge and agree that Master Developer's and all Vertical Developers' rights and obligations with respect to the construction of the horizontal and vertical improvements contemplated to be undertaken by Master Developer and Vertical Developers under the Master DDA, including Master Developer's obligation to Complete all work necessary to create Developable Lots with respect to the Alice Griffith Lots and other Lots in the Alice Griffith Site, are governed not by this Agreement but by the Master DDA and, to the extent such activities are undertaken under a License Agreement with the Authority or a Permit to Enter with the Agency, by such License Agreements and Permits to Enter. Without limiting the generality of the foregoing, under the Master DDA Master Developer has provided certain indemnities to the Agency and other City Parties, and under any License Agreement Master Developer will be required to provide indemnities to the Authority, and the Agency and the Authority, respectively, have such further rights and remedies available under the Master DDA and such License Agreements as are set forth therein; accordingly, the
Agency’s and the Authority’s indemnification and other rights and available remedies with respect to any breach of Master Developer’s obligations therein are as set forth therein, and not in this Agreement (except as otherwise provided in this Agreement). For the avoidance of doubt, Alice Griffith Developer and Alice Griffith Phase Owners are not Vertical Developers under the Master DDA.

3.1.2 **Agency Waivers of and Amendments to Master DDA.** The Agency agrees that materially waiving or amending the following provisions of the Master DDA shall (to the extent the Agency possesses discretion under the terms of the Master DDA) be subject to Agency Approval: (i) any provision of the Master DDA relating to Master Developer’s obligation to pay the Master Developer Subsidy, (ii) any provision of the Master DDA relating to the Agency’s obligation to pay the Agency Alice Griffith Subsidy, (iii) the provisions of the DRDAP that relate to the Alice Griffith Replacement Projects, and (iv) the Master DDA’s Schedule of Performance relating to the timing of Developable Lot Delivery.

3.2 **License Agreements.** The Authority shall from time to time upon request of Master Developer enter into a License Agreement with Master Developer providing Master Developer and its representatives, agents, contractors, consultants, subcontractors or joint venture partners, and their respective employees or agents access to certain portions of the SFHA Property in order to undertake activities associated with the development of the Alice Griffith Site Approved by the Agency under the Master DDA, including any grading, remediation, infrastructure construction, testing, inspection, demolition, abatement or other activities. Any such License Agreement shall be in the form attached hereto as Exhibit D with only such changes thereto as (i) Master Developer and the Authority may Approve or (ii) the Authority may reasonably require in order to impose such insurance and bond requirements as the Authority determines are necessary to protect its interests (including the rights of the Existing Residents) in connection with the specified activities to be undertaken thereunder; provided, however that such requirements must be consistent with the Authority’s custom and practice and must not unnecessarily interfere with or materially increase the cost or risk of Master Developer’s ability to undertake such development or if it would unnecessarily interfere with or materially increase the cost or risk, such requirement must be consistent with commercial industry practice. The Authority shall have no obligation to enter into any License Agreement where precluded by applicable law or where exclusive use of the applicable SFHA Property has been granted to another Person (unless such Person grants consent). Other than Ground Leases entered into in accordance with this Agreement, the Authority shall not grant any exclusive use of any portion of the SFHA Property that could materially and adversely impact Master Developer’s development of the Alice Griffith Site as contemplated herein or in the Master DDA without the Approval of Master Developer; provided, however, Master Developer acknowledges that the Authority may, from time to time, enter into a non-exclusive License Agreement with Alice Griffith Developer to permit Alice Griffith Developer the right to conduct certain testing and site investigations on portions of the SFHA Property that may also be subject to a License Agreement with Master Developer. As more particularly described in the form of License Agreement attached hereto, each License Agreement between the Authority and Master Developer shall provide that the Authority is an express third party beneficiary of any Adequate Security provided by Master Developer to the Agency under the Master DDA with respect to any obligations of Master Developer under the Master DDA that are undertaken by Master Developer on the SFHA Property under such License Agreement. The Authority shall also enter
into License Agreements with the City and/or the Agency to the extent required for such Persons to complete Master Developer’s infrastructure obligations under the Master DDA and/or any subdivision improvement agreement with Master Developer following a default thereunder by Master Developer.

3.3 **Master Developer Authorizations.** Under the Master DDA, Master Developer is required to obtain from any Governmental Entity having jurisdiction over all or a portion of the Alice Griffith Site, including the Agency and the Authority (as applicable), any permit, approval, entitlement, agreement, permit to enter, utility service, Subdivision Map, subdivision improvement agreement(s), building permit or other authorization for the work it is required to perform under the Master DDA and as may be necessary or desirable to effectuate and implement such work (each, a “Master Developer Authorization”). The Authority shall reasonably cooperate (at no material cost to the Authority that is not reimbursed) with Master Developer on request in obtaining Master Developer Authorizations, including executing any such Master Developer Authorizations to the extent the Authority is required to execute the same as co-applicant or co-permittee, or as otherwise Approved by the Authority so long as such Master Developer Authorizations are consistent with this Agreement. Neither the Authority nor Master Developer will agree to the imposition of any conditions or restrictions in connection with obtaining any such Master Developer Authorization if the same would create any obligations on the Authority’s part not otherwise contemplated under this Agreement, without the Approval of the Authority. Master Developer shall indemnify, defend (with counsel Approved by the Authority) and hold harmless the Authority, and its commissioners, directors, employees and agents (collectively, the “Authority Parties”) from and against any losses, claims, damages, liabilities, judgments, causes of action or actions (including reasonable attorneys’ fees and costs) ("Losses") arising as a result of the Authority’s execution of such Master Developer Authorizations (but not including execution of a final Subdivision Map), except to the extent that such Losses are caused, contributed to or exacerbated by the negligence, willful misconduct, fraud or illegal acts of any Authority Party.

3.4 **Demolition.** Under the Master DDA, Master Developer is responsible for the demolition of all of the Phase 1 Demo Buildings and the Phase 2 Demo Buildings, as more particularly described therein. Notwithstanding anything to the contrary in the Master DDA, Master Developer agrees to use diligent efforts to carry out demolition on a “building-by-building” basis (and in any event, unless otherwise Approved by the Authority, in clusters of at most three buildings) as the Phase 1 Demo Buildings and Phase 2 Demo Buildings are vacated. To the extent demolition is therefore required prior to conveyance of the relevant portion of the SFHA Transfer Property, the Authority shall grant Master Developer a License Agreement to allow for demolition and related activities to take place. In any event all demolition shall be undertaken and completed within a reasonable period of time following conveyance of the SFHA Transfer Property or any portion thereof to the Agency and/or Master Developer as provided herein.

3.5 **Impact on Existing Residents.** The Agency and Master Developer agree and acknowledge that during grading, remediation, infrastructure construction, testing, inspection, demolition, abatement or other activities in the Alice Griffith Site, certain Existing Residents will continue to reside in remaining buildings, subject to existing leases with the Authority, which, among other things, require the Authority to provide such residents the quiet use and enjoyment
of their existing residences. Consistent with performing its responsibilities under the Master DDA and in accordance with good construction practices, Master Developer shall use commercially reasonable efforts to (i) minimize the impact of such activities on the Existing Residents, (ii) minimize damage, disruption or inconvenience caused by such activities, and (iii) make adequate provision for the safety and convenience of all Persons affected by such activities.

4. **Land Assembly.**

4.1 **City Property.** The Authority (at no material additional cost to the Authority) and the Agency shall use commercially reasonable efforts to cause the Authority to expeditiously acquire fee title to the City Property from the City under conditions Approved by the Authority, the Agency and Master Developer. The Parties will cooperate to cause such acquisition to occur at the earliest feasible date following the Effective Date, potentially in connection with obtaining a final Subdivision Map for the initial Alice Griffith Lots.

4.2 **Port Property.** Under the Public Trust Exchange Agreement (as defined in the Master DDA), the Port is required to convey the Port Property to the Agency, as more particularly described and subject to certain conditions described therein. The Agency shall use commercially reasonable efforts to cause the Agency to expeditiously acquire fee title to the Port Property from the Port under the Public Trust Exchange Agreement, all in accordance with and in the condition contemplated by the Master DDA and the Public Trust Exchange Agreement. The Agency shall keep the other Parties reasonably informed of its efforts with respect thereto.

4.3 **Alice Griffith Lots.**

4.3.1 **Boundary Adjustments to Alice Griffith Lots.** The anticipated locations of the Alice Griffith Lots as of the Effective Date are set forth on Exhibit B. The Parties acknowledge that as planning for the Master Project (including planning for the Alice Griffith Replacement Projects) advances, the description of the Alice Griffith Lots will require further refinements, which may require minor or material boundary adjustments among the parcels comprising such property and the surrounding parcels and/or any portion thereof. Prior to recordation of a final Subdivision Map in the Official Records with respect to an Alice Griffith Lot, the Parties shall cooperate in effecting, and Master Developer may undertake, any such boundary adjustments; provided that Master Developer shall not effectuate any such changes on such Alice Griffith Lot without Approval of the Agency and the Authority and prior consultation with Alice Griffith Developer. When any final Subdivision Map with respect to an Alice Griffith Lot is obtained, the legal description of the Alice Griffith Lot covered thereby will be attached to and made part of Exhibit B in accordance with Section 16.29.

4.3.2 **Assembly of Initial Alice Griffith Lots (Agency Transfer Property).** The initial Alice Griffith Replacement Projects are anticipated to be developed on the Alice Griffith Sites commonly referred to as Blocks 1, 2, 4 and 5 (the locations of which are generally depicted on Exhibit B). As of the Effective Date, the real property comprising such Alice Griffith Sites is owned by the Agency and the Authority, and the Parties anticipate that (i) within a reasonable period following the Effective Date the Agency, the Authority and Master Developer will each execute and deliver the final Subdivision Map creating such Alice Griffith
Sites in such form as they may Approve, and (ii) promptly following recordation of such final Subdivision Maps, (a) the Agency will convey its interest in any such Alice Griffith Site to the Authority and (b) subject to receipt of any required Approvals from HUD, the Authority will convey its interest in other Lots created by such final Subdivision Map to the Agency (e.g., real property designated for streets, parks and other public improvements). The Parties will cooperate with one another to effectuate the assembly of such Alice Griffith Sites as contemplated by the foregoing so as to permit the development of such Alice Griffith Sites as contemplated herein and in the Master DDA.

4.4 **SFHA Transfer Property.** Upon vacancy of all Phase 1 Demo Buildings due to relocation of the residents thereof to an Alice Griffith Replacement Unit, other relocation accordance with the Relocation Plan, or otherwise, the Authority shall promptly convey all of the SFHA Transfer Property within the Phase 1 Demo Buildings Land (but not including the Alice Griffith Lots therein), to the Agency and/or Master Developer as provided herein, and upon vacancy of all Phase 2 Demo Buildings due to relocation of the residents thereof to an Alice Griffith Replacement Unit, other relocation in accordance with the Relocation Plan, or otherwise, the Authority shall promptly convey all of the remaining SFHA Transfer Property, including all of the Phase 2 Demo Buildings Land, to the Agency and/or Master Developer as provided herein, all as more particularly described herein. The transfer of any portion of the SFHA Transfer Property is subject to the Approval of HUD, and the Authority shall have no obligation to transfer any portion of the SFHA Transfer Property without such Approval. The Parties shall cooperate to obtain such Approvals. Nothing in this Agreement shall be deemed to limit or impair the Authority’s ability to convey to the Agency and/or Master Developer or the Agency’s or Master Developer’s ability to accept any portion of the SFHA Transfer Property that is not occupied by Existing Residents.

4.5 **Boundary Adjustments.**

4.5.1 **Boundary Adjustments to Agency Transfer Property.** The Parties acknowledge that as planning for the Master Project (including planning for the Alice Griffith Replacement Projects) advances, the description of the Agency Transfer Property will require further refinements, which may require minor or material boundary adjustments among the parcels comprising such property and the surrounding parcels and/or any portion thereof. Prior to conveyance of the Agency Transfer Property (or any portion thereof) to the Authority hereunder, the Parties shall cooperate in effecting any such boundary adjustments, and the Agency, the Authority and Master Developer shall Approve a legal description for the Agency Transfer Property (or such portion thereof) and upon such Approval such legal description will be attached to and made part of Exhibit B.

4.5.2 **Boundary Adjustments to SFHA Transfer Property Land.** The Parties acknowledge that as planning for the Master Project (including planning for the Alice Griffith Replacement Projects) advances, the description of the SFHA Transfer Property (including the Phase 1 Demo Buildings Land and the Phase 2 Demo Buildings Land) will require further refinements, which may require minor or material boundary adjustments among the parcels comprising such property and the surrounding parcels and/or any portion thereof. Prior to conveyance of the SFHA Transfer Property (or any portion thereof) to the Agency and/or Master Developer hereunder, the Parties shall cooperate in effecting any such boundary
adjustments, and the Agency, the Authority and Master Developer shall Approve a legal
description for the SFHA Transfer Property (or such portion thereof) and upon such Approval
such legal description will be attached to and made part of Exhibit B.

4.5.3 Boundary Adjustments to Alice Griffith Site Generally. Without
limiting Sections 4.5.1 and 4.5.2, the Parties acknowledge that the description of parcels of real
property in the Alice Griffith Site may require further refinements from time to time in order to
achieve the purposes of this Agreement, which may require minor boundary adjustments
between or among the various Lots in the Alice Griffith Site, including after any conveyances
contemplated herein. The Parties agree to cooperate in effecting any such boundary adjustments
required, consistent with this Agreement.

5. Relocation.

5.1 Relocation Plan. The Existing Residents will all be relocated in accordance with
a plan (the “Relocation Plan”) to be developed in accordance with the terms of this Agreement
as well as HUD Requirements, including all requirements of the RAD program and the Choice
Grant, and any other applicable Federal, State and local requirements governing the relocation of
residents and the provision of replacement housing including (each as applicable) the
Uniform Relocation Act (46 U.S.C. 4600 et seq.), and its implementing regulations (49 C.F.R.
Part 24), the relocation requirements of Section 18 of the Housing Act, and its implementing
regulations, the Demolition or Disposition of Public Housing Project (24 CFR Part 970), the
California Relocation Assistance Law (California Government Code Section 7260 et seq.) and
the California Relocation Assistance and Real Property Acquisition Guidelines (Title 25,
California Code of Regulations, Chapter 6, Section 6009 et seq.) (collectively, the “Relocation
Laws”). Following the Effective Date, the Parties shall continue their present efforts to prepare
the draft Relocation Plan consistent with representations and commitments made to Existing
Residents as reflected in City policy as set forth in Proposition G and the Master DDA’s Housing
Plan, programmatic requirements, public process and input from other stakeholders in
accordance with HUD Requirements and the Relocation Laws as well as more particular
requirements relating to phasing and scheduling, including the right to be relocated to an Alice
Griffith Replacement Unit or otherwise obtain relocation benefits and assistance in accordance
with Relocation Laws. Any draft Relocation Plan submitted for Approval to the Authority
Commission will contain the following elements, at a minimum:

(1) Existing Residents who apply to move to an applicable Alice Griffith
Replacement Unit in accordance with established procedures and who meet eligibility standards
shall have a preference over other applicants who are not Existing Residents and shall not be
subject to any “screening” or “re-screening” that is otherwise applicable to applicants for
housing at the Alice Griffith Replacement Project. Eligibility standards shall include agreed-
upon terms regarding income limitations, household determination and bedroom size
determination – provided that such standards may serve to control which unit or which Alice
Griffith Phase a particular Existing Resident can occupy, but will not ultimately serve to deny an
otherwise eligible Existing Resident the right to occupy an Alice Griffith Replacement Unit.

(2) Upon Completion of an Alice Griffith Phase, the Authority shall cause Existing
Residents to be promptly relocated (and the applicable Alice Griffith Phase Owner shall accept
timely referrals of Existing Residents from the Authority on a priority basis as referenced above), with all residents of the Phase 1 Demo Buildings being relocated prior to relocation of the residents of the Phase 2 Demo Buildings.

The final Relocation Plan will be subject to the Approval of the Parties, and, as required by HUD Requirements, of HUD. For the avoidance of doubt, the Authority’s Approval of the Relocation Plan will not limit Master Developer’s obligations under Section 5.2.

5.2 Relocation Responsibilities of the Parties.

5.2.1 Alice Griffith Developer Responsibilities. Alice Griffith Developer shall cause the Relocation Plan to be developed as referenced above through the services of a subcontractor (the “Relocation Consultant”) and with the use of Choice Grant funds and/or Agency predevelopment funds. Following completion of the draft Relocation Plan, Alice Griffith Developer shall cause such plan to be submitted to the Authority and HUD for Approval. Alice Griffith Developer does not and shall not, by virtue of subcontracting for or otherwise participating in the development of the Relocation Plan, make any representation concerning the accuracy or completeness of the Relocation Plan or its compliance with Relocation Laws, nor shall Alice Griffith Developer, MBS or any of their respective Affiliates bear any liability to any Party or to any third party relative to the development, content or execution of the Relocation Plan.

5.2.2 Authority Responsibilities.

(a) Relocation. Provided that the Authority and (if required) HUD have Approved of the Relocation Plan, the Authority shall expeditiously and efficiently carry out the Relocation Plan in accordance with the Relocation Laws (with its own staff and/or with one or more subcontractors), including to the physical relocation of the Existing Residents following completion of the applicable Alice Griffith Phase. Prior to the Effective Date, the Authority provided Master Developer, and following the Effective Date the Authority shall from time to time upon request therefor from Master Developer provide, an estimate of Relocation Costs and the timing thereof.

(b) Rehabilitation Work. In addition, if upon completion of the Alice Griffith Replacement Projects in Sub-Phase CP-01 any Existing Residents in the Phase 1 Demo Buildings are not relocated to such Alice Griffith Replacement Projects and are not otherwise relocated from the Existing Alice Griffith Development in accordance with the Relocation Plan, then the Authority shall relocate such Existing Residents to Phase 2 Demo Buildings that meet, or exceed, the UPCS, as reasonably determined by the Authority, to provide such Existing Residents decent, safe, and sanitary housing, with minimal interference, and disruption, from the demolition of the Phase 1 Demo Buildings, and any other demolition or construction activities conducted on, or about, the Alice Griffith Site pursuant to the Master DDA. In addition, if upon completion of all Alice Griffith Replacement Projects any Existing Residents in the Phase 2 Demo Buildings are not relocated to such Alice Griffith Replacement Projects, then such Existing Residents shall otherwise be relocated from the Existing Alice Griffith Development in accordance with the Relocation Plan. In order to both maximize occupancy within individual Phase 2 Demo Buildings, and limit the number of Phase 1 Demo Buildings and Phase 2 Demo
Buildings used for occupancy, the Authority shall, to the extent feasible and subject to all applicable laws, and lease requirements, consolidate Existing Residents into the minimum number of Phase 2 Demo Buildings (the "Remaining Occupied Buildings") necessary based on the number of remaining Existing Residents, household size, unit composition, and building condition. Such Remaining Occupied Buildings may require certain rehabilitation work to meet the UPCS and otherwise provide decent, safe, and sanitary living conditions for the remaining Existing Residents (including additional lighting and other public safety features and pedestrian and vehicular access). Prior to commencing any rehabilitation work for the Remaining Occupied Buildings, the Authority shall prepare a scope of work and an estimate for such work and deliver a copy of such estimate to Master Developer for Master Developer's Approval. Master Developer's failure to either approve or disapprove of such estimate within thirty (30) days following delivery by the Authority shall be deemed Approval. In the event Master Developer disapproves of such estimate, then Master Developer shall provide a notice within such thirty (30) day period setting forth, in reasonable detail, the reasons for such disapproval. Thereafter, the Authority and Master Developer shall meet, in good faith, to prepare a mutually acceptable budget for the necessary rehabilitation of the Remaining Occupied Buildings based on each Party's mutual acknowledgement that while the Remaining Occupied Buildings are utilized for housing by Existing Residents such buildings must comply with UPCS and otherwise constitute decent, safe, and sanitary housing, and, following completion of the Alice Griffith Replacement Projects and relocation of all of the Existing Residents, the Remaining Occupied Buildings are anticipated to be demolished in accordance with this Agreement. As Approved (or deemed Approved) such budget, as the same may be revised as from time to time as provided below, shall be referred to as the "Rehabilitation Budget", and the rehabilitation work to be performed on the Remaining Occupied Buildings as contemplated thereby is referred to as the "Rehabilitation Work". As of the Effective Date, the Authority anticipates completing the Rehabilitation Work pursuant to its standard construction process and procedures utilizing the Authority's personnel, or the Authority's authorized agents; provided, however, nothing in this Agreement shall be deemed to limit the Authority's ability to utilize third-party contractors to perform the Rehabilitation Work pursuant to the Authority's standard bidding and procurement policies and procedures and subject to the applicable Rehabilitation Budget. Prior to completion of the Rehabilitation Work, the Authority may from time to time provide Master Developer a notice of any reasonable requested increase or decrease in the amount of any line item on the Rehabilitation Budget. Any such increase shall be subject to the Approval of Master Developer, and upon Approval thereof by Master Developer such increase shall be deemed to be an amendment to the Rehabilitation Budget. Master Developer may object to any such increase by notice thereof to the Authority delivered promptly (and in any event within ten (10) Business Days) after receipt of such notice, in which event Master Developer and the Authority shall meet and confer in good faith with respect to such increase until they have mutually Approved a revision to the Rehabilitation Budget. Master Developer's failure to either Approve or disapprove such increase within such ten (10) Business Day period shall be deemed Approval. Following the completion of the Rehabilitation Work, as evidenced by a physical inspection of the Remaining Occupied Buildings by the Authority and, if requested by Master Developer, Master Developer, on a date mutually acceptable to such Parties, the Authority shall promptly deliver a final cost break-down of the actual costs of the Rehabilitation Work (the "Final Cost Break-Down"). The Final Cost Break-Down will be in substantially the same form as the Rehabilitation Budget and shall include: (i) copies of all invoices for materials utilized in
connection with the Rehabilitation Work, (ii) payroll charges for all of the Authority’s labor utilized in connection with the Rehabilitation Work (reasonably determined on an hourly basis based on such person’s salary plus an amount not to exceed 65% of such salary for general overhead, benefits, and administration multiplied by the number of actual hours, billed in not more than quarter hour increments, worked by such employees in performing such obligations), (iii) the costs paid by the Authority for third-parties in connection with the Rehabilitation Work, and (iv) any other documentation, reasonably acceptable to such Parties, setting forth costs and expenses actually incurred by the Authority in connection with the Rehabilitation Work and consistent with the Rehabilitation Budget (collectively, the “Rehabilitation Work Cost Documentation”).

5.2.3 Master Developer Responsibilities.

(a) Reimbursement to Authority for Relocation Costs. Master Developer shall pay for all reasonable out-of-pocket and employee costs incurred by the Authority from time to time to implement the Relocation Plan, including allocable staff costs, subcontractor or consultant fees, attorneys’ fees related solely to compliance with Relocation Laws, and all relocation payments or benefits paid by the Authority pursuant to the Relocation Plan and/or Relocation Laws (collectively, “Relocation Costs”). Following the commencement of relocation of the Existing Residents from the Phase 1 Demo Buildings, the Authority shall, from time to time, but in no event more than one time per month, deliver a notice to Master Developer for reimbursement for Relocation Costs. Such notice shall include: (i) copies of all invoices for all costs and expenses incurred by, or on behalf of, the Authority for Relocation Costs, (ii) payroll charges for all of the Authority’s staff time utilized in connection with the Relocation Plan (reasonably determined on an hourly basis based on such person’s salary plus an amount not to exceed 65% of such salary for general overhead, benefits, and administration multiplied by the number of actual hours, billed in not more than quarter hour increments, worked by such employees in performing such obligations), and (iii) any other documentation reasonably requested by Master Developer (collectively, the “Relocation Cost Documentation”). Within thirty (30) days following Master Developer’s receipt of the Relocation Cost Documentation, Master Developer shall pay to the Authority the Relocation Costs due as demonstrated by the Relocation Cost Documentation.

(b) Reimbursement to Authority for Rehabilitation Costs. Master Developer shall pay all reasonable out-of-pocket and employee costs incurred by the Authority for Rehabilitation Work, in an amount not to exceed the amount set forth in the applicable Rehabilitation Budget (the “Rehabilitation Costs”). Within thirty (30) days following Master Developer’s receipt of Rehabilitation Work Cost Documentation, Master Developer shall pay to the Authority the Rehabilitation Costs due as demonstrated by the Rehabilitation Work Cost Documentation.

(c) Indemnity for Relocation Claims. Master Developer shall indemnify, defend (with counsel Approved by the Authority) and hold harmless the Authority Parties from and against any Losses arising as a result of the relocation of the Existing Residents by the Authority in accordance with this Agreement, except to the extent that such Losses are caused, contributed to or exacerbated by the negligence, willful misconduct, fraud or illegal acts of any Authority Party, Alice Griffith Developer, MBS or the Relocation Consultant or are paid
by insurance proceeds or indemnities or other reimbursements from third parties. Each Party, including the Authority on behalf of itself and the other Authority Parties, shall use commercially reasonable efforts to pursue any insurance policies or indemnities from third parties that may be available for any Losses for which Master Developer has indemnified the Authority Parties pursuant to the terms of this Section 5.2.3(c). If a Party (other than a Authority Party) recovers for such Losses pursuant to such insurance policies, indemnities or other reimbursements, then such Party shall promptly pay such recovery to Master Developer. If the Authority or any other Authority Party recovers for such Losses pursuant to such insurance policies, indemnities or other reimbursements and from Master Developer pursuant to this Section 5.2.3(c) in an amount that collectively exceeds the amount of the Losses for which such Authority Parties were to be indemnified, then the Authority shall reimburse such excess to Master Developer promptly following receipt of such excess.

(d) Survival. The provisions of Section 5.2.3(a) and (c) are expressly intended to survive any termination of this Agreement with respect to any relocation of Existing Residents undertaken by the Authority prior to any such termination.

5.3 Leasing. Subject to applicable law and as otherwise required in exigent circumstances to protect the health and safety of Authority residents, the Authority shall not enter into any new leases for space in the Existing Alice Griffith Development with any Person other than Existing Residents existing as of the Effective Date.

6. Terms for Conveyances of Transfer Property.

6.1 General. Subject to the conditions set forth below, in consideration for: (i) the development of the Alice Griffith Replacement Projects in accordance with this Agreement, (ii) the amount of One Dollar ($1.00) from the Agency, and (iii) other good and valuable consideration as set forth in this Agreement (including the completion of the infrastructure serving the Alice Griffith Phase Sites by Master Developer), the Authority agrees to convey to the Agency and/or Master Developer, on a phased basis, all of the SFHA Transfer Property, and the Agency and Master Developer agree to acquire from the Authority, on such phased basis, all of the SFHA Transfer Property, all as set forth in this Agreement. Subject to the conditions set forth below, in consideration for: (1) the development of the Alice Griffith Replacement Projects in accordance with this Agreement, (2) the amount of One Dollar ($1.00) from the Authority, and (3) other good and valuable consideration as set forth in this Agreement, the Agency agrees to convey to the Authority, on a phased basis, all of the Agency Transfer Property, and the Authority agrees to acquire from the Agency, on such phased basis, all of the Agency Transfer Property, all as set forth in this Agreement.

6.2 Escrow and Title.

6.2.1 Escrow. Promptly following the Effective Date, the Agency shall establish an escrow ("Escrow") in the City with the Title Company and shall promptly notify the Authority and Master Developer in writing of the Escrow number thereof and contact person at the Title Company therefor.
6.2.2 **Title.** A copy of the preliminary title report for the Agency Property is attached as Exhibit N, and a copy of the preliminary title report for the SFHA Property is attached as Exhibit O. Any exception required by HUD (including the Declaration of Trust) and any exception arising from a requirement of the San Francisco Department of Public Health in connection with San Francisco Health Code article 22A compliance are deemed to be Permitted Exceptions, and the existing exceptions set forth on each of the foregoing title reports are deemed to be Permitted Exceptions, except for (i) with respect to the Agency Transfer Property, and (ii) with respect to the SFHA Transfer Property. Notwithstanding the foregoing or anything to the contrary contained herein, the Transferring Party shall, at its sole cost and expense, remove on or before the close of Escrow of any Transfer Property any liens on the Transfer Property for the following: (a) delinquent taxes, bonds and assessments and interest and penalties thereon; and (b) any exceptions that constitute monetary liens. Notwithstanding the foregoing, however, the following matters remain under review and discussion and shall be addressed to each Party’s reasonable satisfaction prior to closing:

(a) [Public Trust Exchange Agreement]

(b) [McEnerney]

6.2.3 **New Title Matters.** The Agency shall not create or permit to be created during the period of its ownership any exceptions to title to the Agency Transfer Property, and the Authority shall not create or permit to be created during the period of its ownership any exceptions to title to the SFHA Transfer Property, in either case other than the Permitted Exceptions therefor. If after the Effective Date, a new title exception not shown on the title reports attached hereto that is not a Permitted Exception, that would materially and adversely affect the use of the Transfer Property in question as contemplated by this Agreement and/or the Master DDA by any of the Parties, any Alice Griffith Phase Owner or any Vertical Developer under the Master DDA and is not caused by the Receiving Party, the Receiving Party, Master Developer, or, with respect to the Agency Transfer Property, Alice Griffith Developer may object to such new exception by notice to the applicable Transferring Party given within sixty (60) days after such Person receives written notice from the Title Company of the new exception. If any such Person fails to object within such period, then the new exception will be deemed to be a Permitted Exception. If any such Person does object, then the Transferring Party shall reasonably consider such objections and, at its cost, shall remove or otherwise cause the Title Company not to show any exception to which any such Person objected on the owner’s title insurance policy to be issued to the Receiving Party at close of Escrow. If the Transferring Party does so elect, it will notify the Receiving Party, Master Developer and, with respect to any Transfer Property that includes Alice Griffith Lots, Alice Griffith Developer within sixty (60) days after receipt of the objection. If the Transferring Party elects not to remove the exception in accordance with the foregoing, fails to respond within the sixty (60) day period, or elects to remove the exception but fails to do so within sixty (60) days after such election or deemed election, then the Receiving Party shall have the right to: (i) following notice and cure under Section 14.2.2(b), declare an Event of Default by the Transferring Party, or (ii) accept title to the real property subject to such exception. If the Receiving Party fails to declare an Event of Default under with Section 14.2.2(b) within sixty (60) days following election or failure, then it shall be deemed to have elected to accept title as set forth in clause (ii) above. Exceptions that the Receiving Party elects to accept, or is deemed to have accepted, in accordance with the
foregoing, will be deemed to be Permitted Exceptions. Any date for close of Escrow shall be extended if and as reasonably required to provide the time periods above. If the date for close of Escrow has been scheduled as of the date that such Person receives written notice from the Title Company of the new exception, then each of the sixty (60) day periods above shall be automatically revised to be thirty (30) days. The Agency and the Authority shall not establish, participate in and/or authorize formation of a Mello-Roos community facilities district that will encumber an Alice Griffith Site with the levy of special taxes, assessments, exactions, fees or charges for Ongoing Park Maintenance (as defined in the Master DDA) without the Approval of Alice Griffith Developer.

6.2.4 Closing. The date for each close of Escrow of conveyance of any portion of the Transfer Property shall be Approved by Master Developer, the Agency and the Authority, and shall be undertaken as soon as is reasonably practicable and otherwise consistent with the timing requirements set forth herein. The Agency and the Authority shall each use commercially reasonable efforts to satisfy the closing conditions set forth in Section 6.3 that are in its control, and will reasonably cooperate with the other Parties to satisfy conditions that are in any other Party’s control. At each close of Escrow, the Transferring Party shall convey to the Receiving Party all of its right, title and interest to the Transfer Property that is the subject of such close of Escrow by a Quitclaim Deed.

6.2.5 Title Policy. It is a condition to the Receiving Party’s obligation to close Escrow on conveyances of any portion of the Transfer Property that the Title Company shall be irrevocably committed to issue to the Receiving Party a CLTA owner’s title insurance policy (or at the Receiving Party’s (or, with respect to the SFHA Transfer Property, Master Developer’s) option an ALTA owner’s title insurance policy), with such endorsements, reinsurance and direct access agreements as the Receiving Party shall reasonably designate and the Title Company shall accept (and, with respect to the SFHA Transfer Property, as is Approved by Master Developer). The title policy will be in an amount designated by the Receiving Party (and, with respect to the SFHA Transfer Property, Approved by Master Developer) and acceptable to the Title Company, and will insure that fee title to the property at issue and all appurtenant easements are vested in the Receiving Party, subject only to the Permitted Exceptions. If the Receiving Party elects to obtain an ALTA owner’s policy, the Receiving Party shall be responsible for securing any and all surveys, engineering studies and other documents required to obtain an ALTA owner’s policy in sufficient time to permit close of Escrow as required by this Agreement; provided, that the Transferring Party shall cooperate in good faith with any such election by providing any reasonable and customary affidavits reasonably required by the Title Company in connection therewith.

6.3 Conditions Precedent to Close of Escrow. The following are conditions precedent to the Transferring Party’s and the Receiving Party’s obligations to close Escrow for each conveyance of Transfer Property hereunder; the Parties acknowledge and agree that the provisions of Sections 6.3.1 through 6.3.3 are not waivable, and Section 6.3.4 may be waived by the Receiving Party:

6.3.1 the City has approved a Transfer Map or other applicable Subdivision Map for the applicable property and the same has been recorded in the Official Records, or such conveyance is otherwise in compliance with the California Subdivision Map Act;
6.3.2 this Agreement shall not have terminated as to such real property;

6.3.3 the Transferring Party shall have fee title to the real property being conveyed;

6.3.4 the Title Company shall be irrevocably committed to issue to the Receiving Party, upon payment of the premium, the title insurance required by Section 6.2.6 for the Transfer of Property being conveyed.

In addition to the above conditions, the following are conditions precedent to the Authority's obligation to convey any portion of the SFHA Transfer Property: (i) the Authority shall have obtained Approval of HUD for such conveyance, (ii) with respect to any portion of the SFHA Transfer Property on which Phase 1 Demo Buildings or Phase 2 Demo Buildings are located, the Existing Residents therein shall have been relocated therefrom in accordance with this Agreement or such Phase 1 Demo Buildings or Phase 2 Demo Buildings shall be otherwise vacant, and (iii) Master Developer shall have reimbursed the Authority for all Relocation Costs and Rehabilitation Costs that, as of the close of Escrow, are then due and payable.

6.4 Close of Escrow.

6.4.1 Closing Deliveries. At least fifteen (15) days before the date specified for close of Escrow for conveyance of the applicable portion of the Transfer Property from the Transferring Party to the Receiving Party, the Transfer Parties shall furnish the Title Company with appropriate Escrow instructions consistent with, and sufficient to implement the terms of, this Article 6, and will contemporaneously furnish a copy of these instructions to the Agency or the Authority, as applicable, and Master Developer. No such Escrow instructions shall be inconsistent with this Agreement, and to the extent of any such inconsistency this Agreement shall control. At least two (2) Business Days before the date specified for the applicable close of Escrow, the Agency and the Authority shall each deposit into Escrow all documents and instruments it is obligated to deposit under this Agreement, and at least one (1) Business Day before the date specified for close of Escrow, the Agency and the Authority shall each deposit into Escrow all funds it is obligated to deposit under Section 6.4.3.

6.4.2 Conveyance of Title and Delivery of Possession. Provided that the conditions to the Transferring Party's obligations for the conveyance of the applicable portion of the Transfer Property have been satisfied or, with respect to the condition set forth in Section 6.3.4, expressly waived by the Receiving Party, each as set forth herein, the Transferring Party shall convey to the Receiving Party, and the Receiving Party shall accept, the applicable portion of the Transfer Property at the close of Escrow.

6.4.3 Closing Costs and Prorations. The Receiving Party shall pay to the Title Company or the appropriate payee one hundred percent (100%) of all title insurance premiums and endorsement charges, transfer taxes, recording charges and any and all Escrow fees in connection with each conveyance of Transfer Property. Ad valorem taxes and assessments, if any, shall be prorated as of the applicable close of Escrow. Any such taxes and assessments, including supplemental taxes and escaped assessments, levied, assessed, or imposed for any period up to recordation of the Quitclaim Deed, shall be borne by the Transferring Party.
Notwithstanding the foregoing the Parties recognize that all such closing costs (but not including taxes and assessments or, except to the extent that an ALTA title policy is requested by Master Developer, the portion of the premiums for the Title Policy that exceeds the premiums that would be charged if the Title Policy were a CLTA title policy), will be Agency Costs under the Master DDA.

6.5 **Title Clearance.** If the title policy issued to the Receiving Party upon the close of Escrow contains a Permitted Exception that would adversely affect the development of the real property as contemplated by this Agreement or the Master DDA, and such exceptions may be removed by means of a street vacation or other governmental action, then the Parties agree to take reasonable actions to eliminate such exceptions by means of a supplemental street vacation ordinance or other governmental action; provided, however, in no event shall the Authority bear any cost to eliminate such exception.

6.6 **Master Developer Election to Acquire all or any portion of the SFHA Transfer Property.** Prior to the close of Escrow for any conveyance of the SFHA Transfer Property hereunder, Master Developer shall have the right, exercisable by notice thereof to the Agency and the Authority, to elect to acquire all or any portion of the applicable SFHA Transfer Property directly (and the Agency shall acquire such portion that Master Developer does not so elect to acquire). For example, Master Developer may elect to acquire portions of the SFHA Transfer Property designated as Market Rate Lots under the Master DDA, leaving portions of the SFHA Transfer property designated as private streets under the Master DDA for acquisition by the Agency. For the avoidance of doubt, such election by Master Developer shall not waive, limit or otherwise impair the provisions of this Article 4.

7. **Property Condition.**

7.1 **As Is.**

7.1.1 Subject to Section 5.3, at the close of Escrow for conveyance of the applicable portion of the Transfer Property from the Transferring Party to the Receiving Party, the Transferring Party will convey such portion strictly in its "as is, where is" condition with all faults and defects. Prior to the close of Escrow, the Authority shall not prepare or improve the SFHA Transfer Property in any manner whatsoever before conveyance to the Agency without the Approval of the Agency and Master Developer; provided, however, that the foregoing shall not apply to, and shall not prohibit, the Authority from undertaking such repairs to the Existing Alice Griffith Development as are necessary in accordance with law or regulation or are otherwise consistent with its custom and practice, or any work conducted by Master Developer under the Existing License Agreement. Subject to Section 5.3, the Receiving Party agrees to accept the Transfer Property in its condition at the close of Escrow, acknowledges that except as otherwise expressly set forth herein the Transferring Party makes no express or implied representation or warranty as to the condition or title of any Transfer Property conveyed by the Transferring Party to the Receiving Party under this Agreement and acknowledges that all necessary physical and title due diligence shall be performed by the Receiving Party in accordance with this Agreement.
7.1.2 The Parties have been given (or will be given as set forth below) the opportunity to investigate the Alice Griffith Site fully, using experts of their own choosing, and the Authority and the Agency shall continue to give each other and the other Parties such opportunity under a License Agreement from the Authority with respect to the SFHA Property or a license agreement, in a form mutually acceptable to the Authority and the Agency, from the Agency to the Authority with respect to the Agency Property. In connection with such investigations, the Agency and the Authority, at no material cost to either of them that is not otherwise reimbursed, shall reasonably cooperate with each other and the other Parties and shall afford each other and the other Parties access, upon not less than five (5) days’ prior notice, and otherwise at all reasonable times, to such non-privileged books and records as the Authority and the Agency, respectively, shall have in its possession or control relating to the prior use and/or ownership of the Alice Griffith Site or any portion thereof. Alice Griffith Developer shall keep Master Developer reasonably apprised of its investigations, including by providing copies of its work plans with reasonably sufficient time for review and comment prior to undertaking any such investigations. Any Party conducting any investigations on the Alice Griffith Site shall comply with all applicable requirements in the Project MMRP.

7.2 **Damage and Destruction.** From and after the Effective Date, the Agency shall assume all risk of damage to or destruction of the SFHA Transfer Property and the Authority shall assume all risk of damage to or destruction of the Agency Transfer Property, subject to this Section 7.2. Since the SFHA Transfer Property and the Agency Transfer Property are intended to be developed, any existing improvements thereon do not have significant value for the Agency and the Authority (provided, however, the Agency and the Authority acknowledge that the SFHA Transfer Property is used as housing for Existing Residents, and shall continue to be utilized as such until the relocation of all of the Existing Residents is completed), respectively, and therefore damage to or destruction of such improvements will not affect the Parties’ rights and obligations under this Agreement, which will continue in full force and effect without any modification except as set forth below. If permitted by applicable law, at any close of Escrow, the Transferring Party shall assign to the Receiving Party any and all unexpended insurance proceeds and any uncollected claims and rights under insurance policies covering damage or destruction to the Transfer Property, if any.

8. **Workforce Requirements.**

8.1 **Workforce MOU.** The Parties shall comply with their respective obligations under the Workforce MOU. The Agency and the Authority shall each use commercially reasonable efforts to cause OEWD and MOHCD to perform their respective obligations under the Workforce MOU.

8.2 **Amendment to Workforce MOU.** The Agency and the Authority shall not amend the Workforce MOU in any manner that would affect the rights or obligations with respect thereto of Master Developer, any Vertical Developer, Alice Griffith Developer or any Alice Griffith Phase Owner without the Approval of such affected Person.

9. **Phasing, Schedule and Budgets for Alice Griffith Replacement Projects.**
9.1 **Master Phasing Plan.** A master phasing plan for each of the Alice Griffith Replacement Projects is set forth as Exhibit I (the “Master Phasing Plan”). Each Party Approves the initial Master Phasing Plan. Alice Griffith Developer shall be responsible for updating the initial Master Phasing Plan and for supplementing the initial Master Development Plan with further details for each Alice Griffith Phase as the Closing for that Alice Griffith Phase approaches; provided, however, in no event shall the number of Alice Griffith Replacement Units within the Alice Griffith Replacement Project be reduced, or otherwise be modified, without the Approval of the other Parties.

9.2 **Master Schedule and Obligation to Comply with Outside Date.** A master schedule for Alice Griffith Developer and the applicable Alice Griffith Phase Owners starting and finishing the key tasks required to complete the Alice Griffith Replacement Projects is attached Exhibit I (the “Master Schedule”). Each Party Approves the initial Master Schedule. The last date by which a particular obligation may be satisfied, as set forth in the Master Schedule, is referenced in this Agreement as the “Outside Date”. Alice Griffith Developer shall, subject to the terms and limitations of this Agreement, be responsible for causing each Alice Griffith Phase Closing to occur on or before the applicable Outside Date.

9.2.1 **Developable Lot Delivery.** The term “Developable Lot Delivery” as used in the Master Schedule and in this Agreement means completion of all activities required for an Alice Griffith Phase Site to be a Developable Lot (as defined in the Master DDA). The Developable Lot Delivery dates in the initial Master Schedule are estimates presented for purposes of calculating the associated Outside Date for each corresponding Alice Griffith Phase Closing. (Other than Alice Griffith Phases 1 and 2, the initial Master Schedule establishes each such Outside Date as eight (8) months after corresponding Developable Lot Delivery.) Master Developer’s performance schedule for delivery of Developable Lots is and shall remain governed by the Master DDA and any applicable License Agreement and not by this Agreement, all as more particularly described in Section 3.1. Alice Griffith Developer may, but shall have no obligation to, cause an Alice Griffith Phase Closing to occur prior to Developable Lot Delivery for the applicable Alice Griffith Phase Site. If Alice Griffith Developer elects, in its sole and absolute discretion, to cause an Alice Griffith Phase Closing to occur prior to Developable Lot Delivery for the applicable Alice Griffith Phase Site, Alice Griffith Developer (together with the TCP and/or private lender for the relevant Alice Griffith Phase) may require, as a condition of such election and subject to Approval of Master Developer, reasonable assurance from Master Developer for the benefit of the applicable Alice Griffith Phase Owner of such Developable Lot Delivery (“Developable Lot Post-Closing Conditions”). Nothing is this Agreement imposes any obligation on the Authority to accept any responsibility or liability for the completion of a Developable Lot Post-Closing Condition. Developable Lot Post-Closing Conditions may extend, but unless otherwise expressly Approved by the Parties shall in no event release Master Developer’s Developable Lot Delivery obligations.

9.2.2 **Changes to Master Schedule.** Alice Griffith Developer shall be responsible for updating (to the extent applicable) and maintaining the Master Schedule pursuant to the standards set forth below. If Alice Griffith Developer desires to update the Master Schedule it will provide notice of such update to each Party together with a specific written explanation of the basis for any change (together with a citation to the relevant authorizing provision of this Agreement).
(a) **Developable Lot Delivery.** Alice Griffith Developer shall be entitled to extend the Outside Date for an Alice Griffith Phase Closing based on actual delays in Developable Lot Delivery applicable to such Alice Griffith Phase, if any. The period of such extension will be equal to the period of delay in the Developable Lot Delivery relative to the existing Master Schedule or such longer period (in no event to exceed the period of such Developable Lot Delivery delay by more than (6) months) as Alice Griffith Developer reasonably determines is necessary due to the adverse additional consequences of such delay in the Developable Lot Delivery (including adverse additional consequences relating to seasonal construction factors, funding cycles or permitting schedules); provided, however, Alice Griffith Developer shall use commercially reasonable efforts to minimize any extension of the Master Schedule.

(b) **Excusable Delay.** Alice Griffith Developer shall be entitled to extend the Outside Date for each Alice Griffith Phase Closing for causes beyond the reasonable control of Alice Griffith Developer, provided that Alice Griffith Developer has acted in good faith and utilized commercially reasonable efforts to satisfy its obligations hereunder, and provided further that such delay is not caused by the fault, failure to act, or negligence of Alice Griffith Developer ("**Excusable Delays**"). Excusable Delays shall include delays caused by: (a) the failure of any other Party to complete activities required or anticipated by this Agreement in accordance with the terms of this Agreement and the Master Schedule (including issuance of Alice Griffith Developer Authorizations); (b) the failure of any Party to exercise an Approval right in a timely and (except where a different standard is specified) reasonable manner and in accordance with the terms of this Agreement (including Approval of the Relocation Plan and of Deliverable Lot Post-Closing Conditions); (c) the failure to receive a timely award of tax credits or tax-exempt bond financing allocations or the unavailability of equity and private loans for the Alice Griffith Replacement Projects under commercially reasonable terms and conditions in the amount projected in the Financing Plan, provided, that Alice Griffith Developer has utilized good faith, and commercially reasonable efforts, to obtain such financing, or to obtain alternative financing; (d) a decrease in the level of Operating Subsidy available for Alice Griffith Replacement Units relative to current levels that materially affects the ability of each Alice Griffith Replacement Unit to support its own long-term operating expenses or causes equity or private loans to be unavailable under the standards set forth in the preceding clause including Alice Griffith Developer's efforts to obtain alternative financing sources; (e) a material adverse change in HUD Requirements relative to current standards that causes a material delay or materially adversely affects the regulatory or financial structure of the Alice Griffith Replacement Projects; (f) materially adverse delays, actions or failures to act by HUD, the City, or other governmental entities in either their sovereign or contractual capacity; (g) lack of timely funding of reasonable third-party predevelopment expenses of Alice Griffith Developer and/or an Alice Griffith Phase Owner by Master Developer (or, alternatively but without obligation, by the City or any other Person) under the standards set forth in (c) above including Alice Griffith Developer's efforts to obtain alternative financing sources; (h) acts of God, terrorists or public enemy, earthquakes or hurricanes and such event has a direct and material impact on the AG Developer or Master Developer's ability to perform its obligations hereunder; or (i) litigation affecting the applicable Alice Griffith Phase to which Alice Griffith Developer is not a party. The period of extension arising from an Excusable Delay will be equal to the period of such Excusable Delay or such longer period (in no event to exceed the period of such Excusable Delay by more than six (6) months) as Alice Griffith Developer determines, subject to Agency
Approval, is necessary due to the adverse additional consequences of such Excusable Delay (including adverse additional consequences relating to seasonal construction factors, funding cycles or permitting schedules); provided, however, Alice Griffith Developer shall use commercially reasonable efforts to minimize any Excusable Delay. From time to time on request of any Party, Alice Griffith Developer shall provide a good faith update of the Schedule of Performance reflecting the effect of Excusable Delays hereunder.

9.3 Agreement of the Parties. The Master Schedule may be adjusted with the Approval of Master Developer and Alice Griffith Developer and with Agency Approval, but in no event shall a Party have any obligation to agree to an amendment to the Master Schedule absent a delay in Developable Lot Delivery or an Excusable Delay as provided above. Alice Griffith Developer may withhold or condition Approval of a change that accelerates the Outside Date for an Alice Griffith Phase Closing in its sole discretion.

9.4 Master Budget. A Master Budget for the Alice Griffith Replacement Project is attached as Exhibit K (the "Master Budget"). The Master Budget is attached for informational and coordination purposes only. Funding obligations of the Parties relative to the Alice Griffith Replacement Project shall remain subject to applicable terms of the Master DDA, the Choice Grant Agreement and the Choice Disbursing Agreement, and Agency Approval. Alice Griffith Developer shall be responsible for updating the initial Master Budget and for supplementing the initial Master Budget with further details for each Alice Griffith Phase as the Closing for that Alice Griffith Phase approaches – and are anticipated to change based on a variety of factors such as construction pricing, availability of private financing and the level and mixture of Operating Subsidy. Final budgets and funding commitments shall be established in accordance with applicable provisions of the Master DDA, the Choice Grant Agreement and, relative to a given Alice Griffith Phase, the Financing Plan and the Alice Griffith Phase Closing Documents and subject to Agency Approval.


10.1 Design. Alice Griffith Developer shall coordinate and carry out the development of plans and specifications for each Alice Griffith Phase pursuant to the Redevelopment Requirements. (For purposes of the foregoing sentence, the "Redevelopment Requirements" are those in effect as of the date hereof or as may be amended with the Approval of Alice Griffith Developer.) Design documents will be subject to Agency Approval. The design documents for Alice Griffith Phase 1 and Alice Griffith Phase 2 have been approved in their current state (subject to completion of construction documents pursuant to City Building Department requirements).

10.2 License Agreements. The Authority shall from time to time upon written request of Alice Griffith Developer enter into a License Agreement with Alice Griffith Developer providing Alice Griffith Developer and its representatives, agents, contractors, consultants, subcontractors or joint venture partners, and their respective employees or agents access to the SFHA Property in order to undertake activities associated with testing, inspection, design, other predevelopment activities, all as may be reasonably required to advance redevelopment of the Alice Griffith Replacement Projects prior to each Alice Griffith Phase Closing. Any such
License Agreement shall be in the form attached hereto as Exhibit D with only such changes thereto as (i) may be required to adapt such form to the relevant activities of Alice Griffith Developer, and otherwise protect the health and safety of the Existing Residents, (ii) Alice Griffith Developer and the Authority may Approve or (iii) the Authority may reasonably require in order to impose such insurance and bond requirements as the Authority determines are necessary to protect its interests in connection with the specified activities to be undertaken thereunder; provided, however that such requirements must be consistent with the Authority's custom and practice and must not unnecessarily interfere with or materially increase the cost or risk of Alice Griffith Developer's ability to undertake such development or if it would unnecessarily interfere with or materially increase the cost or risk, such requirement must be consistent with commercial industry practice. The Authority shall have no obligation to enter into any License Agreement where precluded by applicable law or where exclusive use of the applicable SFHA Property has been granted to another Person (unless such Person grants consent), except that Master Developer and Alice Griffith Developer shall, if required, be granted shared access subject to such agreements as each may reasonably require of the other regarding coordination of activities and allocation of risks and liabilities. The Authority shall not grant any exclusive use of any portion of the SFHA Property that could materially and adversely impact Alice Griffith Developer's development of the Alice Griffith Site as contemplated herein without the Approval of Alice Griffith Developer. The execution of a License Agreement by the Authority shall in no way limit or impair the conditions precedent to the execution of a Ground Lease as set forth below.

10.3 **Alice Griffith Developer Authorizations.** Alice Griffith Developer shall be required to obtain from any Governmental Entity having jurisdiction over all or a portion of the Alice Griffith Site, including the Agency and the Authority (as applicable), any permit, approval, entitlement, agreement, permit to enter, utility service, building permit or other authorization (exclusive of Master Developer Authorizations) for the work it is required to perform under this Agreement and as may be necessary or desirable to effectuate and implement such work and cause each Alice Griffith Phase to be Completed (each, an "**Alice Griffith Developer Authorization**"). The Authority shall reasonably cooperate (at no material cost to the Authority that is not reimbursed) with Alice Griffith Developer on request in obtaining these Alice Griffith Developer Authorizations, including executing any such Alice Griffith Developer Authorizations to the extent the Authority is required to execute the same as co-applicant or co-permittee, or as otherwise Approved by the Authority so long as such Alice Griffith Developer Authorizations are consistent with this Agreement. Neither the Authority nor Alice Griffith Developer will agree to the imposition of any conditions or restrictions in connection with obtaining any such Alice Griffith Developer Authorization if the same would create any obligations on the Authority's part not otherwise contemplated under this Agreement, without the Approval of the Authority. Alice Griffith Developer shall indemnify, defend (with counsel Approved by the Authority) and hold harmless the Authority Parties from and against any Losses arising as a result of the Authority's execution of such Alice Griffith Developer Authorizations, except to the extent that such Losses are caused, contributed to or exacerbated by the negligence, willful misconduct, fraud or illegal acts of any Authority Party.

11. **Business Terms for Alice Griffith Phase Closing Documents.**

11.1 **Alice Griffith Phase Closing Documents.**
11.1.1 The agreements among the Parties regarding certain key terms anticipated to apply to each Alice Griffith Phase, as will be memorialized further in various Alice Griffith Phase Closing Documents, are summarized in the following provisions of this Section 11. The Alice Griffith Phase Closing Documents will not materially vary from such terms except as contemplated by this Agreement without the Approval of the relevant Party to such closing documents (or the Alice Griffith Phase Owner as the case may be).

11.1.2 Once an Alice Griffith Phase Closing has occurred, the Alice Griffith Phase Closing Documents will govern the rights and remedies of the parties in regard to such Alice Griffith Phase. This Agreement shall terminate and be of no further relevance to such Alice Griffith Phase (except for provisions that expressly survive termination, which may continue to apply to a Party provided that in no event shall any Alice Griffith Phase Owner be bound by any provision of this Agreement). In furtherance of the foregoing, concurrently with the recordation of the memorandum of each Ground Lease, Alice Griffith Developer or the Alice Griffith Phase Owner may file a Notice of Termination relative to the subject Alice Griffith Lot at the time of each Alice Griffith Phase in accordance with Section 16.3.1.

11.2 Ground Lease.

11.2.1 At each Alice Griffith Phase Closing, the Authority and the Alice Griffith Phase Owner shall enter into a Ground Lease for the subject Alice Griffith Phase Site. The Parties will endeavor to complete a form of Ground Lease promptly following the Effective Date and will upon Approval of the Parties attach such form hereto as Exhibit L. Thereafter, any Ground Lease will be in such form with only such changes thereto as (i) the Authority and Alice Griffith Developer may Approve, (ii) provisions or changes that may be required by Persons providing debt or equity financing to the applicable Alice Griffith Phase Owner in order to render the Ground Lease financeable (subject to the Approval of the Authority) or (iii) provisions or changes that may be required by HUD as a condition of its approval (subject to the Approval of the Authority).

11.2.2 Following each Alice Griffith Phase Closing, the form of Ground Lease executed for such Alice Griffith Phase shall be deemed to replace the form presently attached as Exhibit L for purposes of the next Alice Griffith Closing, except for such matters as may by their nature be limited to the subject Alice Griffith Phase (such as Developable Lot Post-Closing Conditions) or as the Authority and Alice Griffith Developer may otherwise agree in writing.

11.2.3 For purposes of determining “Residual Rent” pursuant to the Ground Lease and in accordance with the Cashflow MOU, Alice Griffith Developer shall engage an MAI appraiser (subject to Agency Approval) to calculate the appraised value of the unimproved Alice Griffith Phase Site as restricted by the terms of the Closing Documents (including, without limitations, restrictions arising under HUD Requirements and the low-income housing tax credit program) (the “Restricted Appraised Value”).

11.3 Alice Griffith Phase Owners. Each Alice Griffith Phase Owner will be a limited partnership or a limited liability company in which an Affiliate of Alice Griffith Developer serves as the developer general partner or developer managing member (each, a “DGP”), a nonprofit organization identified by Alice Griffith Developer, or its subsidiary, serves as managing
general partner or managing member (each, an "MGP"), Master Developer or its Affiliate ("MDP") serves as a special limited partner or special member of either the Alice Griffith Phase Owner or the DGP, and one or more tax credit investor entities serve as limited partners or non-managing members (each, a "TCP").

11.4 **Subsidy Loans.**

11.4.1 Master Developer and the Agency will provide Master Developer Subsidy and Agency Alice Griffith Subsidy, respectively, for each Alice Griffith Phase in an amount, at times and in a manner consistent with the Master DDA and as Approved by the Agency, Alice Griffith Developer and Master Developer.

11.4.2 Agency Alice Griffith Subsidy will be provided to each Alice Griffith Phase Owner as a loan from the Agency. Master Developer Subsidy paid by Master Developer under the Master DDA to the Agency for Alice Griffith Phase 1 and for Alice Griffith Phase 2 will be loaned by the Agency. Master Developer Subsidy for later Alice Griffith Phases paid by Master Developer under the Master DDA to the Agency will be in the form of a loan from the Agency or as otherwise structured by Alice Griffith Developer subject to applicable terms of the Master DDA. The Alice Griffith Phase 1 and Alice Griffith Phase 2 Agency Alice Griffith Loan Agreements are attached hereto as Exhibit M, subject to such changes thereto as a result of the Final Financial Plan as the Agency and Alice Griffith Developer may Approve, including to reflect such changes as may be required by Persons providing debt or equity financing to the applicable Alice Griffith Phase Owner in order to render the Alice Griffith Phase financeable and to reflect changes that may be required by HUD as a condition of its Approval. Following each Alice Griffith Phase Closing, the form of Agency Alice Griffith Loan Agreement executed for such Alice Griffith Phase shall be deemed to replace the form presently attached as Exhibit M for purposes of the next Alice Griffith Closing, except for such matters as may be of a nature to be limited to the subject Alice Griffith Phase (such as Developable Lot Post-Closing Conditions) or as the Agency and Alice Griffith Developer may otherwise Approve. Authority Director signature to Approve the funding amount in a HOPE SF Loan Evaluation for an Alice Griffith Phase along with the Agency Approval process will be considered Authority Approval of the financing for that Alice Griffith Phase.

11.4.3 Choice Grant funds will be provided to each Alice Griffith Phase Owner as a loan from the City as provided in the Disbursing Agreement.

11.4.4 Alice Griffith Developer and Master Developer may Approve an Alice Griffith Phase Owner paying for some or all of the infrastructure costs incurred by Master Developer on or in the vicinity of an Alice Griffith Phase Site that directly benefit or are incurred by reason of construction of an Alice Griffith Phase (the "Master Developer Infrastructure Costs"). Such payments (the "Alice Griffith Infrastructure Financing") may be structured, in whole or in part, as a loan from Master Developer, provided that in any event Master Developer will be obligated to assign such loan and any associated security or payments to the Agency. The final structure and terms of Alice Griffith Infrastructure Financing shall be subject to the Approval of Alice Griffith Developer and Master Developer, and subject to Agency Approval.
11.4.5 Loans derived from the Agency Alice Griffith Subsidy, the Master Developer Subsidy, the Alice Griffith Infrastructure Financing or Choice Grant funds shall be repaid solely from cash flow (as further discussed below) prior to their respective maturity dates.

11.4.6 The Authority has no obligation to provide any loan, grant or other capital assistance to finance the construction of the Alice Griffith Replacement Projects.

11.5 Operating Assistance for Alice Griffith Replacement Units.

11.5.1 The Authority shall provide Operating Subsidy for each Alice Griffith Replacement Unit. The initial source of Operating Subsidy for each of the first two Alice Griffith Phases is identified in the Master Phasing Plan.

11.5.2 If the RAD program is expanded or extended beyond its present limitations, or if an equivalent program is enacted, the Authority shall apply to HUD for further RAD conversion authority for later Alice Griffith Phases upon written request of Alice Griffith Developer on such terms and conditions as the Authority, the Agency, MOHCD, and Alice Griffith Developer mutually approve as being most beneficial to the long-term viability and affordability of such Alice Griffith Phases.

11.5.3 The Authority shall provide PBV Subsidy for not less than 25% of the Alice Griffith Replacement Units in each Alice Griffith Phase -- regardless of whether such Alice Griffith Replacement Units would otherwise receive RAD Subsidy as referenced above -- subject to compliance with HUD Requirements (and approval by the Authority Commission as may be required pursuant to such HUD Requirements), provided that the Authority carries out such actions as may be permitted under such HUD Requirements (for example, including appropriate provisions regarding the award of PBV Subsidy in its Section 8 Administrative Plan).

11.5.4 The Authority shall provide Public Housing Subsidy for Alice Griffith Replacement Units that do not receive RAD Subsidy or PBV Subsidy. The Authority and Alice Griffith Developer will negotiate a form of Regulatory and Operating Agreement providing for the payment of such Public Housing Subsidy as well as associated regulatory obligations.

11.5.5 Nothing in this Agreement shall be deemed to obligate or otherwise commit any funds of the Authority beyond the Operating Subsidy funds approved by and made available to the Authority by HUD pursuant to HUD Requirements.

11.6 Developer Fee.

The Developer Fee for Alice Griffith Phases 1 and 2 is described in the Agency Alice Griffith Loan Agreements for Alice Griffith Phases 1 and 2. The Developer Fee for Alice Griffith Phase 3 will not be less than the fee outlined in the Agency's HOPE SF Predevelopment Loan Evaluation for Phases 1 through 3. If Alice Griffith Phase 3 is expanded to include "Block 5" (as shown in the Master Phasing Plan), the Parties acknowledges that MBS may request a higher Developer Fee for Alice Griffith Phase 3 than previously outlined in such Predevelopment Loan Evaluation, subject to Agency Approval. The Developer Fee for Alice Griffith Phase 4 and Alice Griffith Phase 5 will be the greater of $2,000,000 per Alice Griffith Phase or such higher amounts as may be allowed pursuant to a HOPE SF developer fee policy as in effect and
applicable to the Alice Griffith Phase at the time of tax credit applications or submission of a Final Financial Plan for such Alice Griffith Phase. The Alice Griffith Phase Owner shall in any event remain responsible for complying with applicable limitations on developer fee from other parties, including as applicable any HUD Requirements.

11.7 **Reserves.** Each Alice Griffith Phase Owner will establish reserve accounts as may be required by the TCP and/or private lender including an operating deficit reserve, a reserve for replacement and one or more reserves specifically targeted at risks associated with the relevant sources of operating assistance such as an “ACC Reserve” and/or a “Section 8 Reserve”. Further details concerning each Reserve will be specified in the Financing Plans.

11.8 **Cash Flow.** The Agency and the Authority will be entitled to receive payments of debt service and Ground Lease “Residual Rent” as set forth in the Cashflow MOU.

11.9 **Right of First Refusal.** Each Alice Griffith Phase Owner shall grant to the Authority and to the Agency an option to purchase the Alice Griffith Phase at fair market value and a right of first refusal (as authorized by Section 42(i)(7) of the Internal Revenue Code of 1986, as amended) with respect to any bona fide offer from an unrelated third party to purchase such Alice Griffith Phase, upon terms and conditions to be set forth in an appropriate agreement to be executed in connection with the Alice Griffith Phase Closing and approved by the TCP. Such rights shall be held exclusively by the Authority during a two year period following the closing of each Alice Griffith Phase’s low-income housing tax credit compliance period, and shall be held exclusively by the Agency for an additional one year period if not first exercised by the Authority.

11.10 **Reoccupancy and Admissions.** Each Alice Griffith Phase Owner shall, subject to delegation to its management agent, carry out all administrative functions in connection with admission of applicants to occupancy of the Alice Griffith Phase, including pre-application and application intake, applicant interview and screening, verification procedures, determination of eligibility for admission and qualification for preferences, record maintenance, waiting list maintenance, unit assignment and execution of leases, all in accordance with criteria and procedures Approved (relative to Alice Griffith Replacement Units) by the Authority, and in accordance with HUD Requirements. Notwithstanding the foregoing, the readmission of Existing Residents shall in all events be subject to the requirements of the Relocation Plan as well as HUD Requirements and the Alice Griffith Phase Owner shall provide a preference for Existing Residents pursuant to the Relocation Plan (subject to the Authority providing timely and accurate information regarding eligibility, priority, household size, contact information and other critical information in a manner that does not delay lease-up activities). Notwithstanding the foregoing, Master Developer and Alice Griffith Developer acknowledge that all Existing Residents shall be relocated either to an Alice Griffith Replacement Unit or otherwise relocated from the Existing Alice Griffith Development in accordance with Relocation Laws. The Authority shall authorize each Alice Griffith Phase Owner (or, upon request, one or more Alice Griffith Phase Owners acting together) to maintain a site-based waiting list for all units regardless of subsidy type and shall include a description of the site-based waiting list and admission procedures and policies applicable to the Alice Griffith Replacement Units in its annual plan and its Section 8 Administrative Plan, as applicable. Screening criteria and procedures established by the Alice Griffith Phase Owners with respect to the Alice Griffith
Replacement Units will comply with the applicable requirements of the Agency Alice Griffith Loan Agreement, and to the maximum extent permissible under HUD Requirements, may deviate from Authority-owned public housing subject to HUD Requirements (provided that such criteria and procedures shall comply with this Agreement and the Relocation Plan). The Authority further agrees that Carroll Avenue Senior Homes, L.P., the owner of the property presently being redeveloped at 1751 Carroll Avenue, shall be authorized to maintain a site-based waiting list and to provide a preference for Existing Residents pursuant to the foregoing standards in the administration of its PBV Subsidy in order for units within such development to qualify as replacement housing for purposes of the CNI Grant (but not as Replacement Housing Units for purposes of the Master DDA). The Agency Alice Griffith Loan Agreement includes the following occupancy and priority preferences for the other affordable units that are not Public Housing Replacement Units in the Alice Griffith Replacement Projects (the “Agency Affordable Units” as defined in the Master DDA):

(1) Existing Residents (pursuant to the terms of the Relocation Plan);
(2) Hunters Point Certificate of Preference Holders;
(3) Western Addition Certificate of Preference Holders;
(4) Other Certificate of Preference Holders;
(5) Rent burdened or assisted housing residents, defined as persons paying more than fifty percent (50%) of their income for housing, and assisted residents, defined as persons residing in public housing or project-based Section 8 housing;
(6) San Francisco residents and workers; and
(7) members of the general public.

The Agency Alice Griffith Loan Agreement further requires that each Alice Griffith Phase Owner must incorporate a priority for Ellis Act Housing Preference (“EAHP”) certificate holders in conformance with both priorities listed above and the policies established for EAHP Program as applicable beginning on the date that the Agency Commission adopts EAHP as Agency policy.

11.11 Alice Griffith Replacement Projects. The Alice Griffith Phase Sites shall be used solely for the development of the Alice Griffith Replacement Projects. The Alice Griffith Replacement Projects shall include only the two hundred fifty six (256) Alice Griffith Replacement Units and two hundred forty eight (248) Affordable Units targeted to households earning no more than sixty percent (60%) of Area Median Income and may include other uses that do not (i) materially adversely affect Master Developer’s development in the remaining portions of the Master Project as contemplated by the Master DDA with respect to density and intensity of development, (ii) require any material changes in the infrastructure serving the Alice Griffith Replacement Projects or other components of the Master Project or the costs thereof, (iii) create any material adverse changes in traffic or other environmental considerations, including delays to Master Developer or Vertical Developers because of environmental review or compliance, (iv) decrease the number of Market Rate Units that can be developed by Master
Developer and Vertical Developers within the Alice Griffith Site or within other portions of the Master Project or (v) otherwise materially increase the cost to Master Developer or any Vertical Developer of performing its obligations under the Master DDA or this Agreement; provided that tenant-serving common areas that are (x) Community Facilities, as defined in the BVHP Redevelopment Plan, (y) consistent with the Redevelopment Requirements and (z) typically included in Agency-sponsored multi-family dwellings (such as meeting rooms, children’s activity or child-care rooms, social service rooms and computer rooms) shall be permitted.

12. **Closing Conditions.** The Authority agrees to enter into a Ground Lease for an Alice Griffith Phase Site, together with other applicable Alice Griffith Phase Closing Documents relative to the subject Alice Griffith Phase if, but only if, the conditions precedent set forth in this Section 12 have been satisfied or will be satisfied upon closing. The following standards supersede those set forth in section 6 of the Option Agreement, as more particularly described in Section 16.15.

12.1 **Alice Griffith Lot Transfers.** All of the Agency Transfer Property within the subject Alice Griffith Phase Site shall have been conveyed to the Authority pursuant to the terms of this Agreement.

12.2 **Financing Plan.** Alice Griffith Developer shall prepare a financing plan (the “Financing Plan”), including commitment letters for all financing necessary for the development of the Alice Griffith Phase. The Financing Plan may take the form of a “Financing Plan” as required by HUD in connection with the RAD program and/or a “Rental Term Sheet” or equivalent submission as required by HUD in connection with the Choice Grant. Alice Griffith Developer shall also comply with the requirements of the Agency and the MOHCD regarding submittal, and approval of, a “Final Financial Plan” pursuant to the Agency Alice Griffith Loan Agreement prior to each Closing. The Financing Plan and the Final Financial Plan shall be subject to Agency Approval; provided, however, to the extent the Authority is required to execute or otherwise submit the Financing Plan to HUD then such plan shall be subject to the Authority’s Approval, which shall not require any changes relative to the Final Financial Plan without Approval of Alice Griffith Developer and the Agency.

12.3 **Closing of Construction Financing.** The Alice Griffith Phase Owner shall close all financing necessary to develop the Alice Griffith Phase as set forth in the Financing Plan and the Final Financial Plan, prior to or simultaneously with the Alice Griffith Closing.

12.4 **Construction Plans.** Alice Griffith Developer shall have completed the construction plan review process as set forth in Section 10.1.

12.5 **Building Permit.** Alice Griffith Developer shall have obtained Alice Developer Authorizations sufficient to start construction on the Alice Griffith Phase Site in accordance with the Construction Plans.

12.6 **Construction Contract.** The Alice Griffith Phase Owner shall enter into construction contract(s) for the construction of the Alice Griffith Phase subject to Agency Approval, and shall secure related security and evidence of insurance from the contractor(s), in compliance with applicable provisions of the Ground Lease and of the Agency Alice Griffith
Loan Agreement. Any security provided by contractor(s) and Approved by Agency shall name
the Authority as a co-obligee or otherwise name the Authority as an express beneficiary of such
security.

12.7 **Relocation Plan.** Alice Griffith Developer shall have obtained the Authority’s and (if required pursuant to HUD Requirements) HUD’s Approval of the Relocation Plan.

12.8 **No Default.** Alice Griffith Developer shall not be a Defaulting Party hereunder, nor shall there have been an event that with notice or the passage of time or both could constitute an Event of Default by Alice Griffith Developer under this Agreement,

12.9 **Authority Commission Approval.** Any Alice Griffith Phase Closing Documents to which the Authority is a party shall be in substantially final form, and shall have been Approved by the Authority Commission. (The form of the Ground Lease attached to this Agreement as of the Effective Date has been Approved.)

12.10 **HUD Approvals; Compliance with RAD and CHOICE.** All applicable environmental review required by any applicable state or federal law in connection with the proposed development of the Alice Griffith Phase on the Alice Griffith Phase Site shall have been completed (and, to the extent applicable, all applicable mitigation measures, if any, have been, or will be, implemented, including the Project MMRP), all necessary approvals from HUD for the conveyance of the leasehold interest in the Alice Griffith Phase Site shall have been obtained, and Alice Griffith Developer shall be in full compliance with the RAD program, all applicable milestones as set forth in the HUD-issued Commitment to Enter into a Housing Assistance Payment (CHAP) letter, the Project MMRP and any applicable requirements of the Choice Grant Agreement.

12.11 **Additional Conditions.** In addition to the conditions set forth above, the following conditions precedent shall apply to all Alice Griffith Phases other than the Alice Griffith Closing for Alice Griffith Phase 1 and Alice Griffith Phase 2 as set forth on the Master Phasing Plan:

12.11.1 **No Default under existing Ground Lease(s).** There shall be no uncured default (following any applicable notice and cure periods), nor shall there have been an event that with notice or the passage of time or both could constitute a default under any existing Ground Lease(s).

13. **Mediation and Arbitration.**

13.1 **Mediation.** If Master Developer, Alice Griffith Developer, the Authority or the Agency (as applicable, the “Requesting Party”) believes that any other Party (the “Non-Approving Party”) has unreasonably withheld, conditioned or delayed its Approval of a matter for which the Non-Approving Party is required by this Agreement not to unreasonably withhold, condition or delay such Approval or has failed to comply with any other requirement hereunder that such Party act reasonably, then the Requesting Party shall have the right to submit to non-binding mediation the matter of whether such requested Approval was unreasonably withheld, conditioned or delayed or such Person failed to comply with such other requirement:
13.1.1 The Requesting Party may request the non-binding mediation by delivering a written request for mediation ("Mediation Request") to the other Non-Approving Party. The Mediation Request must include a summary of the issue in dispute and the reasons why the Requesting Party believes that the Non-Approving Party unreasonably withheld, conditioned or delayed the requested Approval or failed to comply with such other requirement, together with any backup information or documentation it elects to provide. Within fifteen (15) days after receipt of the Mediation Request, the Non-Approving Party may agree to meet and confer promptly with the Requesting Party to attempt to resolve the matter. In the absence of such agreement, or if the “meet and confer” does not resolve the matter promptly, the Requesting Party may submit the matter for mediation to JAMS in the City.

13.1.2 The Non-Approving Party and the Requesting Party shall cooperate with JAMS and with one another in selecting a mediator from a JAMS panel of neutrals and in scheduling the mediation proceedings as quickly as feasible. The Non-Approving Party and the Requesting Party shall participate in the mediation in good faith. Neither the Non-Approving Party or the Requesting Party may commence or, if commenced, continue, a civil action with respect to the matters submitted to mediation until after the completion of the initial mediation session. The Non-Approving Party and the Requesting Party will each pay their own costs and expenses in connection with the mediation, and the Requesting Party will pay all costs and fees of the mediator. Without limiting the foregoing, the provisions sections 1115 through 1128 of the California Evidence Code, inclusive, will apply in connection with any mediation.

13.2 Arbitration Matters.

13.2.1 Arbitration of all Disputes. Subject to Section 13.1, all disputes between or among the Parties arising from or relating to this Agreement, and all differences of opinion regarding the interpretation of a provision of this Agreement (each, a “Dispute”), shall be resolved solely in accordance with this Section 13.2. Any Party may submit any Dispute to a single Qualified Arbitrator at JAMS in the City (“JAMS”) in accordance with the JAMS Streamlined Arbitration Rules and Procedures (the “JAMS Rules”). The Party requesting arbitration shall do so by giving notice (the “Arbitration Notice”) to that effect to the other affected Parties (the “Arbitration Parties”). The Arbitration Notice must include a summary of the Dispute and the reasons why the Party giving the Arbitration Notice believes that one or more of the affected Parties is in breach.

13.2.2 Selection of Arbitrator. The Arbitration Parties will cooperate with JAMS and with one another in selecting a Qualified Arbitrator with appropriate expertise in the Dispute from a JAMS panel of neutrals, and in scheduling the arbitration proceedings as quickly as feasible. If the Parties are not able to agree upon a Qualified Arbitrator, then each will select one arbitrator, and the selected arbitrators shall select a Qualified Arbitrator. The Qualified Arbitrator so selected shall resolve such Dispute in accordance with the laws of the State pursuant to the JAMS Rules.

13.2.3 Arbitration Process. The Arbitration Parties shall bear their own attorneys’ fees, costs and expenses during the arbitration proceedings and each Arbitration Party shall bear one-half (or such other equal amount based on the number of Arbitration Parties) of the costs assessed by JAMS. The Parties shall use good faith efforts to conclude the arbitration
within thirty (30) days after selection of the arbitrator, and the arbitrator shall be requested to render a written decision and/or award consistent with, based upon and subject to the requirements of this Agreement within ten (10) days after the final submission by the Parties to the arbitrator. The arbitrator shall have no right to modify any provision of this Agreement. If an Arbitration Party chooses to submit any documents or other written communication to the arbitrator or JAMS, it shall deliver a complete and accurate copy to the other Arbitration Parties at the same time it submits the same to the arbitrator or JAMS. No Party shall communicate orally with the arbitrator regarding the subject matter of the arbitration without the other Party present.

13.2.4 Arbitration Determination. Subject to this Section 13.2.4, the Arbitration Parties will cooperate to provide all appropriate information to the arbitrator. The arbitrator will report his or her determination in writing, supported by the reasons for the determination. If part of the determination involves the granting of temporary, interim or preliminary injunctive relief, the Arbitration Party who sought the relief shall be ordered by the arbitrator to post a bond in an amount determined by the arbitrator to reflect the potential damages should the temporary, interim or preliminary injunctive relief not be upheld, without reference to the financial status of any Arbitration Party. As part of that determination, the arbitrator shall have the power to determine which Arbitration Party or Arbitration Parties prevailed and if such a determination is made, the prevailing Arbitration Party or Arbitration Parties shall recover all of their reasonable fees, costs and expenses (including the fees and costs of attorneys representing such Arbitration Party in such arbitration) from the non-prevailing Arbitration Party or Arbitration Parties, to be paid within ten (10) days after the final decision of the arbitrator with regard to such fees, costs and expenses. Except as provided in sections 1286.2, 1286.4, 1286.6 and 1286.8 of the California Code of Civil Procedure, the determination by the arbitrator shall be conclusive, final and binding on the Parties. The arbitrator’s decision and/or award may be entered as a judgment in any court having competent jurisdiction and shall constitute a final judgment as between the Arbitration Parties and in that court.

13.3 Use of Evidence. The provisions of sections 1152 and 1154 of the California Evidence Code will apply to all settlement communications and offers to compromise made during the mediation or arbitration.

14. Event of Default; Remedies.

14.1 General. Except as otherwise provided in Article 13, if a Party breaches any of its obligations under this Agreement, one or more of the Parties to whom the obligation was owed (the “Notifying Party”) may notify the breaching Party of such breach. The notice shall state with reasonable specificity the nature of the alleged breach, the provisions under which the breach is claimed to have arisen and the manner in which the breach may be satisfactorily cured. Failure to cure such breach within the time period specified in Section 14.2 shall be an “Event of Default” by the applicable Party (the “Defaulting Party”) under this Agreement.

14.1.1 Upon delivery of a notice of breach, the Notifying Party and the alleged breaching Party shall promptly meet to discuss the breach and the manner in which the alleged breaching Party can cure the same. If before the end of the applicable cure period the breach has
been cured to the reasonable satisfaction of the Notifying Party, the Notifying Party shall issue a written acknowledgement of the alleged breaching Party’s cure of the matter that was the subject of the notice of breach.

14.1.2 If the alleged breach has not been cured or waived within the time permitted for cure, the Notifying Party may (i) extend the applicable cure period or (ii) institute such proceedings and/or take such action as is permitted in this Agreement with reference to such breach.

14.2 **Particular Breaches by the Parties. Event of Default by Master Developer and/or Alice Griffith Developer.** The Parties agree that each of the following shall be deemed to be an Event of Default by Master Developer or Alice Griffith Developer, as the case may be, under this Agreement:

(a) such Person causes or allows to occur, as to itself, a Significant Change or a Transfer not permitted under this Agreement, and the Significant Change or Transfer is not reversed or voided within thirty (30) days following such Person’s receipt of notice thereof from the Agency or the Authority;

(b) such Person materially defaults under the provisions of any License Agreement to which such Person is a Party and fails to cure the same within the time provided therein or, if not so provided, within thirty (30) days following such Person’s receipt of notice thereof from the Agency or the Authority;

(c) such Person materially defaults under the provisions of the Workforce MOU and fails to cure the same within the time provided therein or, if not so provided, within thirty (30) days following such Person’s receipt of notice thereof from the Agency or the Authority;

(d) such Person fails to pay any amount required to be paid to the Agency or the Authority under this Agreement, and such failure continues for thirty (30) days following such Person’s receipt of notice thereof from the Agency or the Authority;

(e) with respect to Master Developer, the obligor under any Adequate Security provided for the benefit of the Authority under any License Agreement commits a default under the applicable security instrument or revokes or refuses to perform as required under the security instrument, and Master Developer does not replace the Adequate Security in such form as may be Approved by the Agency under the Master DDA within thirty (30) days following Master Developer’s receipt of notice thereof from the Authority; provided, that (i) Master Developer shall immediately, upon receiving such notice from the Authority, suspend all activities (other than those needed to preserve the condition of improvements or as necessary for health or safety reasons) on affected portions of the SFHA Property during any period during which the Adequate Security is not maintained as required by such License Agreement, (ii) any cure period for a default under the Adequate Security shall run concurrently with the above thirty (30) day period, and (iii) upon receipt by the Authority of any replacement Adequate Security the Authority shall release the replaced Adequate Security;
(f) with respect to Alice Griffith Developer, failure to use diligent efforts to comply with the Master Schedule (for the avoidance of doubt, as the same may be extended by the effect of Excusable Delay) and such failure continues for sixty (60) days following receipt of notice thereof from the Agency or the Authority;

(g) with respect to Alice Griffith Developer, any Alice Griffith Phase Owner commits a material Event of Default under and as defined in its Ground Lease, the Agency Alice Griffith Loan Agreement, or any other agreement between the Alice Griffith Phase Owner and the Agency or the City, and such default continues past any cure period established in the Ground Lease, the Agency Alice Griffith Loan Agreement, or such other agreement, provided that not less than sixty (60) days notice is also provided to each Party specifically referencing and asserting a default pursuant to this Agreement (which period may run concurrently with the notice period of the underlying Alice Griffith Phase Owner default);

(h) such Person fails to perform any other obligation to be performed by such Person under this Agreement, and such failure continues past any cure period specified in this Agreement, or if no such cure period is specified, then within thirty (30) days after receipt by such Person of notice thereof from any Party; provided, that for a failure that is not susceptible of cure within thirty (30) days, such period shall be extended as reasonably required for such cure so long as such Person promptly commences such cure within thirty (30) days after its receipt of such notice and thereafter diligently prosecutes the same to completion within a reasonable time, but in no event to exceed one hundred eighty (180) days from the receipt of such notice without the Approval of the Agency and the Authority.

Notwithstanding the foregoing, the Parties acknowledge and agree that any breach, default, failure or other circumstance that would otherwise constitute an Event of Default by Alice Griffith Developer shall not constitute an Event of Default by Alice Griffith Developer if Master Developer elects to cure such breach, default, failure or other circumstance, including by exercising any rights it or its Affiliate may have as MDP or to otherwise exercise Control over Alice Griffith Developer or any Alice Griffith Phase Owner, so long as Master Developer commences (or causes Alice Griffith Developer or any applicable Alice Griffith Phase Owner to commence, as applicable) to cure such breach, default, failure or other circumstance within thirty (30) days after receipt by Master Developer of notice of such breach, default, failure or other circumstance and thereafter Master Developer diligently prosecutes (or causes Alice Griffith Developer to diligently prosecute, as applicable) such cure to completion within a reasonable time, but in no event to exceed one hundred twenty (120) days from the receipt of such notice.

14.2.2 Event of Default by the Agency and/or the Authority. The Parties agree that each of the following shall be deemed an Event of Default by the Agency or the Authority, as the case may be, under this Agreement:

(a) such Person causes or allows to occur, as to itself, a Transfer not permitted under this Agreement, and the Transfer is not reversed or voided within thirty (30) days following such Person's receipt of notice thereof from any other Party;
(b) such Person fails to convey real property as and when required by this Agreement, and such failure continues for thirty (30) days following such Person’s receipt of notice thereof from the Agency, the Authority or Master Developer;

(c) such Person materially defaults under the provisions of the Workforce MOU and fails to cure the same within the time provided therein or, if not so provided, within thirty (30) days following such Person’s receipt of notice thereof from any other Party;

(d) with respect to the Authority, the Authority materially defaults under the provisions of any License Agreement and fails to cure the same within the time provided therein or, if not so provided, within thirty (30) days following the Authority’s receipt of notice thereof from Master Developer;

(e) such Person fails to perform any other obligation to be performed by such Person under this Agreement, and such failure continues past any cure period specified in this Agreement, or if no such cure period is specified, then within sixty (60) days after receipt by such Person of notice thereof from any Party; provided, that for a failure that is not susceptible of cure within sixty (60) days, such period shall be extended as reasonably required for such cure so long as such Person promptly commences such cure within thirty (30) days after its receipt of such notice and thereafter diligently prosecutes the same to completion within a reasonable time, but in no event to exceed one hundred twenty (120) days from the receipt of such notice.

14.3 Remedies.

14.3.1 Specific Performance. Upon an Event of Default, the aggrieved Party may institute proceedings to compel injunctive relief or specific performance to the extent permitted by law (except as otherwise limited by or provided in this Agreement) by the Defaulting Party. Nothing in this Section 14.3.1 shall require a Party to postpone instituting any injunctive proceeding if it believes in good faith that such postponement will cause irreparable harm to such Party. The Parties acknowledge and agree that Master Developer shall be entitled to enforce and may institute proceedings to compel specific performance by the Authority and the Agency of their respective obligations to convey and accept portions of the Alice Griffith Site as required hereunder.

14.3.2 Limited Damages. The Parties have determined that except as set forth in this Section 14.3.2, (i) monetary damages are generally inappropriate, (ii) it would be extremely difficult and impractical to fix or determine the actual damages suffered by any Party as a result of a breach hereunder and (iii) equitable remedies and remedies at law not including damages are particularly appropriate remedies for enforcement of this Agreement. Consequently, the Parties agree that no Party shall be liable in damages to any other Party by reason of the provisions of this Agreement, and each covenants not to sue the other for or claim any damages under this Agreement and expressly waives its right to recover damages under this Agreement, except as follows: actual damages only shall be available as to breaches that arise out of (a) the failure to pay amounts as and when due and owing under this Agreement (including Master Developer’s obligation to reimburse the Authority for Relocation Costs and
Rehabilitation Costs), but subject to any express conditions for such payment set forth in this Agreement, (b) the failure to make payment due under any indemnification in this Agreement (including Master Developer’s failure to indemnify the Authority Parties under Section 5.2.3(c)), (c) the requirement to pay attorneys’ fees and costs as set forth in Section 16.1, or when required by an arbitrator or a court with jurisdiction, and (d) to the extent damages are expressly permitted under any agreement among or between any of the Parties other than this Agreement. For purposes of the foregoing, “actual damages” shall mean the actual amount due and owing under this Agreement, with interest as provided by law, together with such judgment collection activities as may be ordered by the judgment, and no additional amount. The Parties acknowledge and agree that no Party would have entered into or become a Party to this Agreement without this Section 14.3.1.

14.4 Termination. Upon the occurrence of an Event of Default by Master Developer or an Event of Default by Alice Griffith Developer under this Agreement, the Agency and the Authority may terminate this Agreement in whole or in part as to such Person only. If the Agency and the Authority desire to so terminate this Agreement, they shall first provide a notice thereof (a “Default Termination Notice”) to the Defaulting Party stating the Event of Default giving rise to such Default Termination Notice and setting forth the effective date of the termination (which shall in no event be sooner than thirty (30) days or later than one hundred twenty (120) days from the date of delivery of the Default Termination Notice). For any such termination to be effective it shall be Approved by the Agency Commission and the Authority Commission. Any such Default Termination Notice may be given before the date of the Agency Commission and Authority Commission actions on the proposed termination so that the termination notice period may run simultaneously with the public notice period for the Agency Commission and Authority Commission actions. If the Agency Commission and the Authority Commission do not Approve such termination prior to the termination date set forth in the Default Termination Notice, then the effective date of the termination shall be extended until so Approved. If the Authority Commission or the Agency Commission disapprove such termination, then such Default Termination Notice shall be automatically cancelled and shall be of no force or effect. For the avoidance of doubt, termination of this Agreement will not, in and of itself, cause termination of a Ground Lease then in effect; provided, however thereafter, the Authority shall have no obligation to enter into any subsequent Ground Lease.

14.5 Rights and Remedies Cumulative. Except as expressly limited by this Agreement (such as in Sections 14.3.2), the rights and remedies of the Parties contained in this Agreement shall be cumulative, and the exercise by any Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies contained in this Agreement for the same breach by the applicable Party. In addition, the remedies provided in this Agreement do not limit the remedies provided in other agreements and documents, including the remedies set forth in the Master DDA as between the Agency and Master Developer. Otherwise, except as provided in this Section 14.5, no Party shall have any remedies for a breach of this Agreement by the other Parties except to the extent that such remedy is expressly provided for in this Agreement.

14.6 No Implied Waiver. No waiver made by a Party for the performance or manner or time of performance (including an extension of time for performance) of any obligations of the other Party or any condition to its obligations under this Agreement shall be considered a
waiver of the rights of the Party making the waiver for a particular obligation of the other Party or condition to its own obligation beyond those expressly waived in writing.

14.7 Default by Alice Griffith Developer. The Agency acknowledges and agrees that any Event of Default by Alice Griffith Developer under this Agreement and any default by an Alice Griffith Phase Owner under any Ground Lease shall not, in and of itself, constitute a breach by Master Developer under this Agreement or the Master DDA.

15. Transfers and Assignment.

15.1 Transfers by Master Developer. Under the Master DDA, Master Developer has the right to Transfer its rights and obligations thereunder under certain conditions. To the extent that Master Developer Transfers its obligations under the Master DDA to construct and Complete Infrastructure within the Alice Griffith Site to any Person, Master Developer shall, to the extent of such Transfer, contemporaneously Transfer its rights and obligations under this Agreement to such Person. Master Developer shall not otherwise Transfer its rights or obligations under this Agreement to any Person without the Approval of the Agency and the Authority. Provided that all Relocation Costs and Rehabilitation Costs have been reimbursed in accordance with this Agreement, upon any permitted Transfer under this Section 15.1, the Transferring Person shall, automatically and without the need for further documentation, be released from all of its obligations hereunder.

15.2 Transfers by Alice Griffith Developer. Alice Griffith Developer shall not Transfer its rights or obligations under this Agreement to any Person without the Agency Approval and Approval of Master Developer. Alice Griffith Developer shall at all times be Controlled by Master Developer (or an Affiliate thereof) and/or MBS.

15.3 Transfers by the Agency. The Agency shall not Transfer its rights or obligations under this Agreement to any Person without the Approval of the Authority and Master Developer.

15.4 Transfers by the Authority. The Authority shall not Transfer its rights or obligations under this Agreement to any Person without the Approval of the Agency, Alice Griffith Developer and Master Developer. The Authority shall not Transfer any portion of the Alice Griffith Site to any Person other than the Agency as contemplated herein without the Approval of Master Developer and the Agency and, with respect to any Alice Griffith Lot, Alice Griffith Developer. The foregoing shall not preclude the grant of easements, leases, subleases, licenses or permits to facilitate the development, operation and use of the Alice Griffith Site as contemplated by this Agreement. The Authority may only use the Alice Griffith Lots for the development and operation of the Alice Griffith Replacement Projects as contemplated by this Agreement.


16.1 Attorneys’ Fees. If a Party institutes any action or proceeding in any court or any other dispute resolution mechanism permitted or required under this Agreement, the prevailing Party shall be entitled to receive from the losing Party or Parties the prevailing Party’s reasonable costs and expenses incurred including expert witness fees, document copying
expenses, exhibit preparation costs, carrier expenses and postage and communication expenses, and such amount as may be awarded to be reasonable attorneys' fees and costs for the services rendered the prevailing Party in such action or proceeding. Attorneys' fees under this Section 16.1 shall include attorneys' fees on any appeal.

16.2 **Beneficiaries.** Subject to Section 15, this Agreement shall be binding upon and inure to the benefit of the Parties. This Agreement is made and entered into only for the protection and benefit of the Parties. No other Person shall have or acquire any right or action of any kind based upon this Agreement except as explicitly provided to the contrary in this Agreement.

16.3 **Estoppel Certificates.** A Party, within twenty (20) days after request from any other Party, shall execute and deliver to the requesting Party an estoppel certificate stating:

16.3.1 whether or not this Agreement is unmodified and in full force and effect; if there has been a modification of this Agreement, the certificate shall state that this Agreement is in full force and effect as modified, and shall set forth the modification; if this Agreement is not in full force and effect, the certificate shall so state; and

16.3.2 whether or not the responding Party is aware of any Event of Default (or event that, with notice or the passage of time or both, could be an Event of Default) by any other Party under this Agreement and, if so, describing the same in detail.

Notwithstanding the foregoing, this Section 16.3 shall not require Master Developer to provide an estoppel certificate to Alice Griffith Developer (or any Alice Griffith Phase Owner) or for Alice Griffith Developer (or any Alice Griffith Phase Owner) to provide an estoppel certificate to Master Developer.

16.4 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, and all of which together shall constitute one and the same instrument. This Agreement shall become effective when the Parties have duly executed and delivered signature pages to this Agreement to each other. Delivery of this Agreement may be effectuated by hand delivery, mail, overnight courier or electronic communication (including by PDF sent by electronic mail, facsimile or similar means of electronic communication). Any signatures (including electronic signatures) delivered by electronic communication shall have the same legal effect as physically delivered original signatures.

16.5 **Authority and Enforceability.** Each Party represents and warrants to each other Party that the execution and delivery of this Agreement by such Party has been duly authorized by all necessary action on the part of such Party, and will not conflict with, result in any violation of, or constitute a default under, any provision of any agreement or other instrument binding upon or applicable to such Party, or any present law or governmental regulation or court decree.

16.6 **Gender and Number.** Wherever in this Agreement the context requires, references in this Agreement to the masculine shall be deemed to include the feminine and the neuter and vice-versa, and references in this Agreement to the singular shall be deemed to include the plural and vice versa.
16.7 **Correction of Technical Errors.** If by reason of inadvertence, and contrary to the intention of the Parties, errors are made in this Agreement in the identification or characterization of any title exception, in a legal description or the reference to or within any Exhibit with respect to a legal description, in the boundaries of any parcel (provided such boundary adjustments are relatively minor and do not result in a material change as determined by counsel to the Parties), in any map or drawing which is an Exhibit, or in the typing of this Agreement or any of its Exhibits, the Parties shall Approve a correction to such error pursuant to a memorandum executed by all of them that replaces the appropriate pages of this Agreement, and no such memorandum or page replacement shall be deemed an amendment of this Agreement, but may still be recorded in the Official Records.

16.8 **Brokers.** Each Party represents and warrants to each other Party that such Party has not employed a broker or a finder in connection with the execution and delivery of this Agreement, and agrees to Indemnify each other Party from the claims of any broker or finder asserted through such Party.

16.9 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to any principles of conflict of laws. All references in this Agreement to California or federal laws, regulations and statutes shall mean such laws, regulations and statutes as they may be amended from time to time, except to the extent a contrary intent is stated. All references in this Agreement to local laws, statutes and regulations shall be to the Applicable City Regulations, subject to changes permitted under the BVHP Redevelopment Plan.

16.10 **Effect on Other Party’s Obligation.** If any Party’s performance is excused or the time for its performance is extended as permitted in this Agreement, the performance of any other Party that is conditioned on such excused or extended performance is excused or extended to the same extent.

16.11 **Table of Contents; Headings; Defined Terms.** The Table of Contents set forth above is for the purpose of convenience of reference only and is not to be deemed as a part of this Agreement or as supplemental hereto. Section and other headings and the name of defined terms in this Agreement are for the purpose of convenience of reference only and are not intended to, nor shall they, modify or be used to interpret the provisions of this Agreement.

16.12 **Numbers and Time.**

16.12.1 **Generally.** For purposes of calculating a number under this Agreement, any fraction equal to or greater than one half (1/2) shall be rounded up to the nearest whole number and any fraction less than one half (1/2) shall be rounded down to the nearest whole number.

16.12.2 **Days.** References in this Agreement to days shall be to calendar days, unless otherwise specified.

16.12.3 **Time and Date of Performance.** If the last day of any period to give notice, reply to a notice, meet a deadline or to undertake any other action occurs on a day that is not a Business Day, then the last day for undertaking the action or giving or replying to the
notice shall be the next succeeding Business Day. All performance (including cure) dates expire
at 5:00 p.m. (San Francisco, California time) on the applicable Business Day. Where a date for
performance is a calendar month without reference to a specific day in such month, or a year
without reference to a specific month in such year, then such date shall be deemed to be the last
Business Day in such month or year, as applicable.

16.12.4 **Time of the Essence.** Time is of the essence in the performance of all
the terms and conditions of this Agreement.

16.12.5 **Extensions of Time.** A Party may extend the time for the performance
of any term, covenant or condition of this Agreement by a Party owing performance to the
extending Party, or permit the curing of any related default, upon such terms and conditions as it
determines appropriate; provided, however, any such extension or permissive curing of any
particular default shall not operate to release any of the obligations of the Party receiving the
extension or cure rights or constitute a waiver of the granting Party’s rights with respect to any
other term, covenant or condition of this Agreement or any other default in, or breach of, this
Agreement. In addition, the Parties may extend the time for performance by any of them of any
term, covenant or condition of this Agreement by a written instrument signed by such Parties
without the execution of a formal recorded amendment to this Agreement, and any such written
instrument shall have the same force and effect and impart the same notice to third-parties as a
formal recorded amendment to this Agreement.

16.13 **No Gift or Dedication.** Except as otherwise specified in this Agreement, this
Agreement shall not be deemed to be a gift or dedication of any portion of the Alice Griffith Site
to the general public, for the general public, or for any public use or purpose whatsoever. Any
dedication must be evidenced by an express written offer of dedication to and written acceptance
by the applicable Governmental Entity, for such purposes by a recorded instrument executed by
the owner of the property dedicated.

16.14 **Severability.** Invalidation of any provision of this Agreement, or of its
application to any Person or circumstance, by judgment or court order shall not affect any other
provision of this Agreement or its application to any other Person or circumstance, and the
remaining portions of this Agreement shall continue in full force and effect, except to the extent
that enforcement of this Agreement as invalidated would be unreasonable or grossly inequitable
under all of the circumstances or would frustrate a fundamental purpose of this Agreement.

16.15 **Entire Agreement.** Without limiting the Master DDA, the Choice Grant
Agreement or the Choice Disbursing Agreement, this Agreement contains the entire agreement
between or among the Parties with respect to the subject matter of this Agreement. Any prior
correspondence, memoranda, agreements, warranties or representations between or among the
Parties relating to such subject matter are incorporated into and superseded in total by this
Agreement (including the ENRA, the Cooperation MOU, those certain Purchase and Sale
Agreements between the Agency and MBS dated as of May 3, 2011 related to the acquisition of
certain real property in the Alice Griffith Site for development of the Alice Griffith Replacement
Projects, by and between the Authority and Alice Griffith Developer each of which is hereby
terminated as of the Effective Date). That certain Option to Lease Agreement dated as of
July 18, 2014 between the Authority and Alice Griffith Developer, as amended (the “Option
16.16 No Party Drafter; Captions. Although each Party drafted various provisions of this Agreement, (i) the provisions of this Agreement shall be construed as a whole according to their common meaning and not strictly for or against any Party in order to achieve the objectives and purposes of the Parties, and (ii) no Party nor its counsel shall be deemed to be the drafter of any provision of this Agreement.

16.17 Avoiding and Minimizing Damages. In all situations arising out of this Agreement, subject to Article 14, each Party shall each attempt to avoid and minimize the damages resulting from the conduct of the other Parties.

16.18 Further Assurances. Each Party shall to take all actions and to do all things, and to execute, with acknowledgment or affidavit if required, any and all documents and writings that may be reasonably necessary or proper to achieve the purposes and objectives of this Agreement.

16.19 Non-Interference. Each Party shall each refrain from doing anything that would render its performance under this Agreement impossible.

16.20 Approvals.

16.20.1 As used herein, “Approval” and any variation thereof (such as “Approved” or “Approve”) refers to the prior written consent of the applicable Party or other Person.

16.20.2 Whenever Approval is required or permitted from a Party under this Agreement, such Party shall not unreasonably withhold, condition or delay such Approval unless the Approval is explicitly stated in this Agreement to be within the “sole discretion” (or words of similar import) of such Party.

16.20.3 Whenever a Party denies an Approval or grants a conditional Approval required or permitted from such Party, it shall do so in writing, including in such writing the reasons therefor in reasonable detail; provided, however, that the Agency Commission and the Authority Commission, as public bodies, may grant or deny Approvals, including conditional Approvals, in open session at a duly held and noticed public meeting in accordance with applicable public meeting laws and shall not be required to provide such a writing with respect to such granted or denied Approvals.
16.20.4 Approval by any Party to or of any act or request by any other Party shall not be deemed to waive or render unnecessary Approval to or of any similar or subsequent acts or requests (except to the extent specifically set forth in such Approval).

16.20.5 In determining whether to give an Approval, the Agency and the Authority shall not deny such Approval or condition such Approval to the extent that such denial or condition is inconsistent with (i) the Redevelopment Requirements or (ii) matters it has previously Approved with respect to the matter at issue.

16.21 **Agency and Authority Actions; Agency Approval.**

(a) Unless otherwise provided in this Agreement, whenever Approval or any other action is required or permitted by the Agency Commission, the Agency Director shall upon the request of Master Developer or Alice Griffith Developer, as applicable, submit such matter to the Agency Commission for its consideration at its next regularly-scheduled meeting for which an agenda has not yet been finalized and for which the Agency can prepare and submit a staff report in keeping with the Agency’s standard practices.

(b) Unless otherwise provided in this Agreement, whenever Approval or any other action is required or permitted by the Authority Commission, the Authority Director shall upon the request of Master Developer or Alice Griffith Developer, as applicable, submit such matter to the Authority Commission for its consideration at its next regularly-scheduled meeting for which an agenda has not yet been finalized and for which the Authority can prepare and submit a staff report in keeping with the Authority’s standard practices.

(c) Except where an Approval or other action to be given or undertaken by the Agency under this Agreement is expressly required in this Agreement to be Approved or undertaken by the Agency Commission, such Approvals or other actions may be given or undertaken, as applicable, by the Agency Director or his or her designee on behalf of the Agency. Furthermore, except to the extent that the Approval of the Agency Commission is required under this Agreement, the Agency Director is authorized to execute and deliver on behalf of the Agency any closing or similar documents and any contracts, agreements, memoranda or similar documents with any Person if the Agency Director determines that such execution and delivery are necessary or proper to achieve the purposes and objectives of this Agreement and are in the Agency’s best interests.

(d) Except where an Approval or other action to be given or undertaken by the Authority under this Agreement is expressly required in this Agreement to be Approved or undertaken by the Authority Commission, such Approvals or other actions may be given or undertaken, as applicable, by the Authority Director or his or her designee on behalf of the Authority. Furthermore, except to the extent that the Approval of the Authority Commission is required under this Agreement, the Authority Director is authorized to execute and deliver on behalf of the Authority any closing or similar documents and any contracts, agreements, memoranda or similar documents with any Person if the Authority Director determines that such execution and delivery are necessary or proper to achieve the purposes and objectives of this Agreement and are in the Authority’s best interests.
(e) Certain documents or actions referenced in this Agreement are subject to "Agency Approval", which shall mean Approval of the Agency which shall not be granted by the Agency without prior consultation with the Authority and consideration of all input received from the Authority on such issues covered by such Approval. The Agency shall coordinate with the Authority in such a manner to provide adequate time for the Authority to review, and provide input to the Agency on, such requested document or action.

16.22 Interpretation. Unless otherwise specified, whenever in this Agreement, including its Exhibits, reference is made to the Table of Contents, any Article, Section, Exhibit or any defined term, the reference shall be deemed to refer to the Table of Contents, Article, Section, Exhibit or defined term of this Agreement. Any reference to an Article or a Section includes all subsections and subparagraphs of that Article or Section. The use in this Agreement of the words "including", "such as" or words of similar import when following any general term, statement or matter shall not be construed to limit such statement, term or matter to the specific statements, terms or matters, whether or not language of non-limitation, such as "without limitation" or "but not limited to", or words of similar import, is used with reference thereto. The term "dollars" (whether or not capitalized) and the symbol "$" mean United States Dollars. In the event of a conflict between the Recitals and the remaining provisions of this Agreement, the remaining provisions shall prevail.

16.23 Legal Representation. Each Party acknowledges and represents and warrants to each other Party that it has been fully informed with respect to, and represented by counsel of its choice in connection with, the rights and remedies of and waivers by such Party contained in this Agreement and after such advice from and consultation with such counsel as such Party has determined to be necessary and sufficient with respect thereto, such Party, with full knowledge of its rights and remedies otherwise available at law or in equity, has elected to waive and relinquish those rights and remedies waived and relinquished in this Agreement to the extent specified in this Agreement, and to rely solely on the remedies provided for in this Agreement.

16.24 Recordation; Run with the Land. It is understood and agreed by the Parties that after execution by all of the Parties, this Agreement will be recorded by the Agency against the Alice Griffith Site. Until this Agreement is terminated in accordance with its terms, the covenants of the Parties contained herein shall be covenants running with the Alice Griffith Site (or the applicable portion thereof) and shall bind every Person having any interest in the Alice Griffith Site (or the applicable portion thereof).

16.25 Nondiscrimination. There shall be no discrimination against or segregation of any person or group of persons on any basis listed in subdivision (a) or (d) of section 12955 of the California Government Code, as those bases are defined in sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of section 12955, and section 12955.2 of the California Government Code, or on the basis of age, race, color, creed, sex, sexual orientation, gender identity, marital or domestic partner status, disabilities (including AIDS or HIV status), religion, national origin or ancestry by any Party or any occupant or user of the Alice Griffith Site in the sale, lease, rental, sublease, transfer, use, occupancy, tenure or enjoyment of the Alice Griffith Site, or any portion thereof. No Party shall establish or permit any such practice or practices of discrimination or segregation in connection with the Alice Griffith Site, including with reference to the selection, location, number, use or occupancy of
buyers, tenants, vendees or others. But no Party shall be in default of its obligations under this Section 16.25 where there is a judicial action or arbitration involving a bona fide dispute over whether such Party or other applicable Person is engaged in discriminatory practices and such Party or other Person promptly acts to satisfy any judgment or award against such Person.

16.26 Modifications. Any modification of any provision of this Agreement must be in a writing expressing the intent to so modify this Agreement that is executed and delivered by each Party. Notwithstanding the foregoing, however, the consent of Alice Griffith Developer shall only be required for a modification of (i) Sections 5.1, 5.2.1 and 5.2.2, and Articles 9 - 12 and 14 and (ii) any other provision of this Agreement if such modification is reasonably expected to have a material and adverse effect on Alice Griffith Developer or any Alice Griffith Phase Owner.

16.27 Waivers. Any waiver of any provision of this Agreement by a Party must be in writing and signed by such Party by a Person having authority to do so on behalf of such Party.

16.28 Relationship of the Parties. No Party is, and none of the provisions of this Agreement shall be deemed to render any Party, a partner in any other Party’s business, or a joint venturer or member in any joint enterprise with any other Party. No Party shall have the right to act as the agent of any other Party in any respect hereunder.

16.29 Plans on Record with the Agency. The most recent versions of the Exhibits shall not be required to be recorded but shall be kept on file with the Agency. Full color copies of all recorded Exhibits are also on file with the Agency. All such Exhibits on file with the Agency shall be made available to members of the public at reasonable times in keeping with the Agency’s standard practices.

16.30 Notice of Termination. In the event of any termination of this Agreement in whole or in part in accordance with the terms of this Agreement, the terminating Party shall provide the other Parties with a copy of a proposed termination notice for recordation in the Official Records (a “Notice of Termination”) at least fifteen (15) days before recording the same. After the expiration of such fifteen (15) days, the terminating Party may cause the Title Company to record such Notice of Termination in the Official Records. Any Notice of Termination shall be in recordable form and describe the portion of the Alice Griffith Site to which such termination pertains. Following the recordation of any Notice of Termination, the terminating Party shall promptly provide a conformed copy of such recorded Notice of Termination to the other Parties. The recordation of a Notice of Termination shall not affect in any manner the rights of any Party to contest the terminating Party’s right to cause such recordation; provided, however, that no Party may contest a Notice of Termination recorded on the date of an Alice Griffith Phase Closing relative to the Alice Griffith Lot subject to such Alice Griffith Phase Closing. Any proposed form of Notice of Termination may be provided together with a Default Termination Notice as provided in Section 14.4, although nothing in this Section 16.30 shall entitle any Party to record a Notice of Termination in connection with any termination under Section 14.4 until the effective date of such termination thereunder. This Section 16.30 is expressly intended to survive termination of this Agreement. A Notice of Termination shall not modify, waive, or otherwise limit the provisions of this Agreement that survive termination.
16.31 **Notices.** Any notice or other communication given under this Agreement by a Party must be given or delivered (i) by hand, (ii) by registered or certified mail, postage prepaid and return receipt requested, or (iii) by a recognized overnight carrier, such as Federal Express, in any case addressed as follows:

**16.31.1 in the case of a notice or communication to the Agency,**

Successor Agency to the Redevelopment Agency of the City and County of San Francisco
One South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attn: Executive Director

with copies to:

Successor Agency to the Redevelopment Agency of the City and County of San Francisco
One South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attn: Legal Division

and

Office of the City Attorney
City Hall, Rm. 234
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102
Attn: Real Estate/Finance

**16.31.2 in the case of a notice or communication to the Authority,**

Housing Authority of the City and County of San Francisco
1815 Egbert Street, Suite 300
San Francisco, California 94124
Attn: Barbara T. Smith, Acting Executive Director

with a copy to:

Goldfarb & Lipman LLP
1300 Clay Street, 11th Floor
City Center Plaza
Oakland, California 94612
Attn: Dianne Jackson McLean, Esq.

**16.31.3 in the case of a notice or communication to Alice Griffith Developer,**

Double Rock Ventures, LLC
c/o McCormack Baron Salazar, Inc.
720 Olive Street, Suite 2500
St. Louis, Missouri 63101
Attn: Kevin McCormack, President

with copies to Master Developer and:

Klein Hornig LLP
101 Arch Street, Suite 1101
Boston, Massachusetts 02110
Attn: Daniel M. Rosen

16.31.4 in the case of a notice or communication to Master Developer,

CP Development Co., LP
c/o Lennar Urban
One Sansome Street, Suite 3200
San Francisco, California 94111
Attn: Kofi Bonner

with a copy to:

Paul Hastings LLP
55 Second Street, 24th Floor
San Francisco, California 94105
Attn: David A. Hamsher

To be effective, every notice given to a Party under the terms of this Agreement must be in writing and must state (or must be accompanied by a cover letter that states) substantially the following:

(a) the Section of this Agreement under which the notice is given;

(b) if applicable, the action or response required;

(c) if applicable, the period of time within which the recipient of the notice must respond thereto;

(d) if applicable, the period of time within which the recipient of the notice must cure an alleged breach;

(e) if applicable, that the failure to object to the notice within a stated time period will be deemed to be the equivalent of the recipient’s approval or disapproval of the subject matter of the notice;

(f) if approval is being requested, shall be clearly marked “Request for Approval”; and
(g) if a notice of a disapproval or an objection that requires reasonableness, shall specify with particularity the reasons for the disapproval or objection in accordance with Section 16.20.3.

Any notice address for a Party may be changed by such Party at any time by giving notice of such change in the manner provided above, and any such change shall be effective ten (10) days thereafter (or such later date as is set forth in such notice). Notwithstanding the foregoing, Master Developer shall at all times be copied on all notices or other communications given under this Agreement to Alice Griffith Developer. All notices and other communications under this Agreement shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed or delivered by overnight carrier, on the delivery date or attempted delivery date shown on the return receipt or in the records of the carrier, as applicable.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
IN WITNESS WHEREOF, the Agency, the Authority, Alice Griffith Developer and Master Developer have each caused this Agreement to be duly executed on its behalf as of the Effective Date.

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney,
as counsel to the Agency

By: ____________________________
Name: Heidi J. Gewertz
Title: Deputy City Attorney

AGENCY:

SUCCESOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN
FRANCISCO, a public body organized and
existing under the laws of the State of
California

By: ____________________________
Name: Tiffany Bohee
Title: Executive Director

APPROVED AS TO FORM:

Goldfarb & Lipman LLP,
Special Legal Counsel

By: ____________________________
Name: Dianne Jackson McLean

AUTHORITY:

HOUSING AUTHORITY OF THE CITY
AND COUNTY OF SAN FRANCISCO,
a public body, corporate and politic

By: ____________________________
Name: Barbara T. Smith
Title: Acting Executive Director

[ SIGNATURES CONTINUE ON FOLLOWING PAGE ]
ALICE GRIFFITH DEVELOPER:

DOUBLE ROCK VENTURES, LLC,
a Delaware limited liability company

By: Double Rock MBS Member, Inc.,
a Missouri corporation,
its sole member

By: ______________
Name: ______________
Title: ______________

MASTER DEVELOPER:

CP DEVELOPMENT CO., LP,
a Delaware limited partnership

By: CP/HPS Development Co. GP, LLC,
a Delaware limited liability company,
its General Partner

By: ______________
Name: Kofi Bonner
Title: President

ACKNOWLEDGED AND AGREED,
INCLUDING WITH RESPECT TO
SECTION 13.15

MBS:

MCCORMACK BARON SALAZAR, INC.,
a Missouri corporation

By: ______________
Name: ______________
Title: ______________