

EXHIBIT B

Definitions

1. **Section References for Terms Defined in this DDA.** Each of the following terms is defined in the Section of this DDA or in the Exhibit listed opposite it.

<u>Term</u>	<u>Section/Exhibit</u>
49ers	5.2.1
49ers Departure	5.2.6(c)
49ers Lease	5.2.1
50% Development Condition	5.2.1
A&R ENA	Recital F
Acquisition and Reimbursement Agreement	Financing Plan
Additional Park Consideration	6.2.1(b)
Adequate Security	26.1
Administrative Delay	24.1.3
Agency Affordable Units	Below-Market Rate Housing Plan
Agency Annual Fee	19.8.1
Agency Costs	19.2
Agency Costs Report	19.5
Agency Fiscal Year	Financing Plan
Agency Lots	Below-Market Rate Housing Plan
Agency MCP	14.2.4
Agency Policies	14.2
Agency Subsidy	Below-Market Rate Housing Plan
Agency Units	Below-Market Rate Housing Plan
Alice Griffith	Recital C
Alice Griffith DDA	Below-Market Rate Housing Plan
Alice Griffith Developer	Below-Market Rate Housing Plan
Alice Griffith Liquidation Payments	6.2.3(b)
Alice Griffith Liquidation Payments Formula	6.2.3(b)
Alice Griffith Liquidation Trigger Date	6.2.3(b)

<u>Term</u>	<u>Section/Exhibit</u>
Alice Griffith Lots	Below-Market Rate Housing Plan
Alice Griffith Payment Notice	6.2.3(b)
Alice Griffith Replacement Project	Below-Market Rate Housing Plan
Alice Griffith Replacement Units	Below-Market Rate Housing Plan
Alice Griffith Subsidy	Below-Market Rate Housing Plan
Amendment Action	12
AMI Percentages	Below-Market Rate Housing Plan
Annual Agency Budget	19.3
Applications	DRDAP
Approval	27.24(a)
Arbitration Matter	15.1.1
Arbitration Notice	15.2
Artist Relocation Plan	Community Benefits Plan
Associated Public Benefits	1.6(b)
Auction Lot	17.2
Auction Methodology	17.2
Auction Minimum	17.2
Authorization	9.1.1
Base Security	26.1
Base Security Liability Cap	26.2.1
Base Security Termination Date	26.2.4
Below-Market Rate Credits	Below-Market Rate Housing Plan
Below-Market Rate Units	Below-Market Rate Housing Plan
BMR Checkpoint Requirements	Below-Market Rate Housing Plan
BVHP ECP	14.2.1
CAC	Recital L
Candlestick Increment	Financing Plan

<u>Term</u>	<u>Section/Exhibit</u>
Candlestick Proceeds	Financing Plan
CEQA Delay	24.1.4
CFD	Financing Plan
City Card Check Policy	14.2.7
City Party	22.1
City Quitclaim	6.2.1(a)
City Reversion	6.2.1(a)
Community Benefits Payments	Community Benefits Plan
Community Builder	Community Benefits Plan
Community Builder Agreements	17.4.1
Community Builder Election Period	17.4.1
Community Builder Lot	Community Benefits Plan
Community Builder Negotiation Period	17.4.1
Community Builder Program	Community Benefits Plan
Community Builder Termination Notice	17.4.2
Community Builders Pool	Community Benefits Plan
Community Facilities Lot	Community Benefits Plan
Community Facilities Space	Community Benefits Plan
Compensating Land	5.2.1
Complete Application	DRDAP
Complete Major Phase Application	DRDAP
Complete Sub-Phase Application	DRDAP
Conceptual Framework	Recital R
Conflicting Law	16.7.1
Corporate Guaranty	26.1
CP State Park Site	6.1.1(a)
CP State Recreation Area	Recital C
Cumulative Subsidy Cap	Below-Market Rate Housing Plan
DBI	DRDAP
DDA	Introductory Paragraph
Destroyed Land Records Relief Law	10.2.3
Developable Lot	7.8

<u>Term</u>	<u>Section/Exhibit</u>
Developer Extension	24.3.1
Developer Fiscal Year	Financing Plan
Developer Party	11.1.6
Developer Representative	27.24(e)
Developer Return	Financing Plan
Developer Stadium Contribution	5.2.1
Developer Stadium Obligations	5.2.1
Developer's Consent	12.4
Development Opportunity	3.6.3
Distributions	Financing Plan
Earliest Stadium Pad Commencement Date	5.2.1
Early Transfer Agreement	10.3.3(f)
Economic Delay	24.1.2
ENA	Recital K
Environmental Laws	11.2.4
Escrow	10.2.1
Event of Default	16.1
Excusable Delay	24.1
Existing Exceptions	10.2.2
Existing Stadium	Recital C
Existing Stadium Site	5.2.1
Experience Requirement	21.1(a)
Fair Market Value	17.5.2
Final Public Improvements	26.7
Final Public Improvements Cost	26.7
Final Stadium Agreement	5.2.1
Final Stadium Agreement Cutoff Date	5.2.1
Fire Station Lot	Community Benefits Plan
First Amendment to Second A&R ENA	Recital J
Force Majeure	24.1.1
Foreclosed Property	20.6
FOSET	7.8.4(c)
FOST	7.8.4(c)
Framework Resolution	Recital R
Funding Goals	Financing Plan
Funding Sources	Financing Plan
Gross Revenues	Financing Plan
Guarantor	26.1

<u>Term</u>	<u>Section/Exhibit</u>
Guarantor Net Worth Requirement	26.1
Hazardous Substance	11.2.3
Hilltop Trust Streets	6.1.1
Home Price Index	24.1.2
Housing Map	Below-Market Rate Housing Plan
HPS Developer	Recital J
ICT	7.9
ICT Design	7.9
ICT Products and Solutions	7.9
ICT Rights	7.9
Inclusionary Unit	Below-Market Rate Housing Plan
Indemnifying Party	22.4
Infrastructure Obligations	7.1
Initial Closing Phase	6.1.2
Initial Major Phase	3.4.1(a)
Initial Sub-Phases	3.4.1(b)
Insurance Requirements	22.7
IP	7.9
JAMS	15.2
Land Acquisition Agreements	25.2
Land Appraiser	17.5.1
Lennar	Recital N
Lennar BVHP	Recital D
Lennar Communities	Recital I
Losses	22.1
Lot Appraisal	17.5.1
LWCF Act	6.2.1(a)
Maintenance Special Taxes	Financing Plan
Major Phases	3.1
Major Phase Application	3.4
Major Phase Approval	3.2
Major Phase Increment Allocation Amount	Financing Plan
Mandated Payment	Financing Plan
Mandated Payment Extension	Financing Plan
Market Rate Lot	Below-Market Rate Housing Plan
Market Rate Unit	Below-Market Rate Housing Plan
Material Breach	16.2.3
MCP	14.2.4

<u>Term</u>	<u>Section/Exhibit</u>
Mediation Request	15.3.1
Minimum Purchase Price	17.5.3
Mitigation Measures	18.1
Mortgage	20.1
Mortgagee	20.1
Mortgagee Acquisition	20.6
Mortgagor	20.1
Navy	Recital B
Navy ROW	6.1.1
Net Available Increment	Financing Plan
Net Project Proceeds	Financing Plan
New Stadium	5.2.1
New Stadium Site	5.2.1
NFL	5.2.1
Non-Park Commission Land	6.1.1
Non-Stadium Alternative	1.2.2
Notice of Termination	27.36
Notifying Party	16.1
Old Stadium Development Site	6.1.1
Original ENA	Recital D
Original Project Guaranty	Recital K
Owner/Occupant	Below-Market Rate Housing Plan
PAC	Recital Q
Parcel A Site	6.1.1
Park Addition	6.1.1
Park Extension	24.4
Park Transfer Parcels	6.2.1(b)
Park Transfer Closing Phase	6.2.1(b)
PCBs	11.2.3
Planning Commission	DRDAP
Port	6.1.1
Port Site	6.1.1
Preliminary Stadium Agreement	5.2.1
Project	1.1
Project Account	Financing Plan
Project Cost	Financing Plan
Project EIR	Recital W
Project MCP	14.2.4
Project MMRP	Recital W
Project Site	1.1

<u>Term</u>	<u>Section/Exhibit</u>
Project Special Taxes	Financing Plan
Proposition G Conveyance Requirement	10.3.2(h)
Proposition P	Recital E
PTR Package	10.2.2
Public Financing	Financing Plan
Public Improvements	9.2.5
Public Property	3.4.2
Public Trust	6.1.1
Public Trust Exchange	6.1.1
Public Trust Exchange Agreement	6.1.1
Qualified Housing Developer	Below-Market Rate Housing Plan
Quiet Title Action	10.2.3
RecPark Land Transfer Agreement	6.2.2(d)(i)
Redevelopment Plan Amendments	Recital W
Reference Date	Introductory Paragraph
Related Infrastructure	7.1
Release	11.2.5
Relocation Requirements	10.3.2(g)
Residential Lot	Below-Market Rate Housing Plan
Requested Change Notice	3.6.2
Reversionary Contest Period	16.5.1(f)
Reversionary Cure Notice	16.5.1(a)(ii)
Reversionary Default	16.5.1(a)(i)
Reversionary Quitclaim Deed	16.5.1
Reversionary Recordation Notice	16.5.1(d)
SB 792	Recital U
SBE Policy	14.2.2
Second A&R ENA	Recital I
Secured Amount	26.1
Shipyards Increment	Financing Plan
Shipyards Proceeds	Financing Plan
SFMTA Infrastructure	18.3
SFMTA Responsibilities	18.3
Site Permit	DRDAP
Stadium Alternative	1.2.1
Stadium Assurance	5.2.1
Stadium Condition	5.2.1

<u>Term</u>	<u>Section/Exhibit</u>
Stadium Condition Cutoff Date	5.2.1
Stadium Major Phase	5.2.3(a)
Stadium Pad	5.2.1
Stadium Pad Infrastructure	5.2.1
Stadium Pad Start Date	5.2.3
Stadium Pad Sub-Phase	5.2.3(b)
Stadium Related Infrastructure	5.2.1
Stadium Related Sub-Phase	5.2.4(a)
Stadium Sub-Phases	5.2.4(a)
Stadium Termination Event	5.3
Stand-Alone Workforce Project	Below-Market Rate Housing Plan
State Lands	6.1.1
State Parks	6.1.1
State Parks Agreement	6.2.1(b)
Statewide Interest Restriction	6.2.2(d)(i)
Sub-Phases	3.1
Sub-Phase Application	3.4
Sub-Phase Approval	3.3
Sub-Phase Construction Obligations	26.4.1
Sub-Phase Construction Secured Amount	26.4.1
Sub-Phase Other Obligations	26.4.1
Sub-Phase Other Secured Amount	26.4.1
Sub-Phase Other Secured Amount Cap	26.4.2
Sub-Phase Security	26.4.1
Subsequent Closing Phase	6.1.3
Subsequent Major Phases	3.4.1(c)
Subsequent Sub-Phases	3.4.1(c)
Subsidies	Below-Market Rate Housing Plan
Summary Proforma	Financing Plan
Tax Allocation Agreement	Financing Plan
Taxable Parcel	Financing Plan
Term	2
Third Party	Financing Plan
Title Objection Period	10.2.2
Trust Exchange Closing Phase	6.1.1

<u>Term</u>	<u>Section/Exhibit</u>
Unit	Below-Market Rate Housing Plan
Unrelated Infrastructure	7.2
Vertical Application	DRDAP
Vertical Approval	DRDAP

<u>Term</u>	<u>Section/Exhibit</u>
Walker Drive Site	6.1.1
Workforce Unit	Below-Market Rate Housing Plan
Yosemite Slough Addition	6.1.1

2. **Additional Defined Terms.** The following terms used in this DDA shall have the meanings ascribed to them below.

“**Affiliate**” means any Person that directly or indirectly Controls, is Controlled by or is under Common Control with, a Party (or a partner or managing or other member of a Party, as the case may be).

“**Agency**” means the Redevelopment Agency of the City and County of San Francisco, a public body, corporate and politic, exercising its functions and powers and organized and existing under the CCRL, or any successor public agency designated by or under law.

“**Agency Commission**” means the Commission of the Agency, 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 Quitclaim Deed**” means a deed substantially in the form of Exhibit V or as otherwise Approved by Developer and the Agency Director in their respective sole discretion.

“**Alice Griffith Site**” means that area of the Candlestick Site identified as such on the Development Plan.

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

“**Architect**” means the licensed architect of record, if any, for any Vertical Improvement as selected by a Vertical Developer.

“**Architect’s Certificate**” means a certificate issued by the Architect in accordance with Section 9.2 that is in the form attached hereto as Exhibit S with only such changes as may be Approved by Vertical Developer and the Agency Director.

“**Assignment and Assumption Agreement**” means an assignment and assumption agreement between Developer and a Transferee or Vertical Developer for a Transfer of rights and corresponding obligations under this DDA, consistent with the requirements of this DDA and in the form Approved by the Agency Director.

“**Attachments**” means, individually or collectively as the context requires, each of the attachments to this DDA listed on the List of Attachments, each of the attachments to the Exhibits listed as such on the List of Exhibits and any attachments to the foregoing, in each case

as they may be amended or supplemented from time to time in accordance with the terms thereof and of this DDA.

“Bayview Hunters Point” or **“BVHP”** means the area of the City contained within zip codes 94124, 94134 and 94107, as such zip codes exist as of the Reference Date.

“Below-Market Rate Housing Plan” means the plan attached hereto as Exhibit F, as such plan may be amended or supplemented from time to time in accordance with the terms of this DDA.

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

“Building Permit” means a building permit issued by DBI.

“Business Day” means a day other than a Saturday, Sunday or holiday recognized by the Agency.

“BVHP Plan Amendment” means the amendment to the BVHP Redevelopment Plan approved by the Agency Commission on the Reference Date.

“BVHP Plan Documents” means the written Plan Documents as defined in the BVHP Plan Amendment approved by the Agency Commission on the Reference Date, as such documents exist on the Reference Date and as such documents may be amended, supplemented, or added to from time to time consistent with Article 12.

“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 Article 12.

“BVHP Redevelopment Plan Area” means the real property comprising the Bayview Hunters Point Redevelopment Project Area under the BVHP Redevelopment Plan.

“Candlestick Design for Development” means the document attached hereto as Attachment 7, as amended from time to time consistent with Article 12.

“Candlestick Site” means the area identified as such on Exhibit A-A and, as of the effective date of the Redevelopment Plan Amendments, Zone 1 of the BVHP Plan Area.

“CCBA” means that certain Core Community Benefits Agreement dated as of May 30, 2008, by and among Developer, The San Francisco Labor Council, the San Francisco Organizing Project, and San Francisco ACORN, as 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.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. section 9601 et seq., as the same may be amended from time to time.

“**Certificate of Completion**” means a certificate issued by the Agency in accordance with Section 9.2 that is substantially in the form attached hereto as Exhibit R.

“**Certificate of Occupancy**” means an instrument issued by DBI certifying that a Unit or non-residential Project is fit for occupancy or use in accordance with the San Francisco Building Code.

“**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 Agency**” means, individually or collectively as the context requires, all departments, agencies, boards, commissions and bureaus of the City with subdivision or other permit, entitlement or approval authority or jurisdiction over any Major Phase, Sub-Phase or Lot in any portion of the Project Site, including but not limited to the Port Authority, the Department of Public Works, the Public Utilities Commission, the Planning Commission, the Municipal Transportation Agency, the Building Inspection Commission, the Public Health Commission, the Fire Commission and the Police Commission, or any successor public agency.

“**Commence**” and any variation thereof means the commencement of substantial physical construction as part of a sustained and continuous construction plan.

“**Commercial Lot**” means a Lot that is not a Residential Lot on which the primary use is intended or primarily suited for use as an office, light industrial, green technology or other commercial use.

“**Commercial Lot Inflation Rate**” means the inflation rate set forth in Exhibit EE for the applicable year and product type applicable to a particular Commercial Lot.

“**Commercial Lot Purchase Price**” means, with respect to a particular Commercial Lot, the Commercial Lot Purchase Price set forth on Exhibit EE; provided, that on January 1 after the Reference Date such Commercial Lot Purchase Price shall be increased or decreased by an amount equal to the then-current Commercial Lot Purchase Price *multiplied by* the applicable Commercial Lot Inflation Rate.

“**Community Benefits Plan**” means the plan attached hereto as Exhibit G, as such plan may be amended or supplemented from time to time in accordance with the terms of this DDA.

“**Complete**” and any variation thereof means, as applicable, that: (i) a specified scope of work has been completed in accordance with Approved plans and specifications; (ii) Governmental Entities with jurisdiction have issued all Authorizations required for the

contemplated use and, with respect to Vertical Improvements, occupancy of the work including, if applicable, Certificates of Occupancy; (iii) the site has been cleaned and all equipment, tools and other construction materials and debris have been removed; and (iv) with respect to Public Property and Public Improvements, (a) all bills for the work have been paid and releases have been obtained from all mechanics and material suppliers or bonds have been provided to secure such liens in a form and amount required by law to cause any such lien to be removed from the applicable portion of the Project Site, (b) no mechanics', materialmen's or other liens have been recorded (unless they have been bonded as provided above) and the period for recording such liens have expired and (c) all as-built plans and warranties, guaranties, operating manuals, operations and maintenance data, certificates of completed operations or other insurance, and all other close-out items required under any applicable Authorization or Approval have been provided to the Agency.

“Consumer Price Index” means the All Items Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor.

“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.

“Conveyance Agreement” means that certain Conveyance Agreement dated as of March 31, 2004 by and between the Agency and the Navy, as amended and supplemented from time to time.

“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 and the regulations promulgated thereunder, as each may be amended from time to time.

“Department of Public Works” means the Department of Public Works of the City, or any successor public agency designated by or under law.

“Design for Development” means, individually or collectively as the context requires, (i) the Candlestick Design for Development and (ii) the Shipyard Design for Development.

“Developer” means CP Development Co., LP, a Delaware limited partnership, or, to the extent set forth in an Assignment and Assumption Agreement, a Transferee.

“Developer Quitclaim Deed” means a deed substantially in the form of Exhibit W or as otherwise Approved by Developer and the Agency Director in their respective sole discretion.

“Development Fees or Exactions” has the meaning set forth in the Redevelopment Plans.

“Development Plan” means the map attached hereto as Exhibit A-B, as such map may be amended from time to time in accordance with the terms of this DDA.

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

“**Effective Date**” means the date that this DDA becomes effective, which shall be the later of: (i) the date this DDA is executed and delivered by the Parties; and (ii) ninety (90) days after the date of the Agency Commission’s approval of this DDA. Notwithstanding the foregoing, the Parties shall not be required to take any implementation actions in furtherance of the development of the Project Site until the effective date of the Redevelopment Plan Amendments.

“**Engineer**” means the licensed engineer of record for Infrastructure as selected by Developer and Approved by the Agency Director.

“**Engineer’s Certificate**” means a certificate issued by the Engineer in accordance with Section 9.2 that is in the form attached hereto as Exhibit T with only such changes as may be Approved by Developer and the Agency Director.

“**Entitled Units**” means, individually or collectively as the context requires, the maximum number of Units permitted for (i) the Shipyard Site pursuant to the Shipyard Redevelopment Plan and (ii) the Candlestick Site pursuant to the BVHP Redevelopment Plan, which collective number is, as of the Effective Date, ten thousand five hundred (10,500).

“**Environmental Remediation**” means the undertaking of any activities to determine the nature and extent of Hazardous Substances that may be located in, on, under or about real property or that has been, are being or threaten to be Released into the environment, and to clean up, remove, contain, treat, stabilize, monitor or otherwise control such Hazardous Substance.

“**Exhibit**” means, individually or collectively as the context requires, each of the exhibits to this DDA 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 DDA.

“**Financing Plan**” means the plan attached hereto as Exhibit H, as such plan may be amended or supplemented from time to time in accordance with the terms of this DDA.

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

“**Historic Structures**” means the buildings on the Shipyard Site commonly known as buildings 211, 224, 231 and 253.

“**Housing Authority**” means the San Francisco Housing Authority.

“**HPS Phase 1**” means the development of Parcel A under the terms of the HPS Phase 1 DDA.

“**HPS Phase 1 DDA**” means that certain Disposition and Development Agreement (Hunters Point Shipyard Phase 1) entered into as of December 2, 2003 by and between HPS Developer and the Agency and recorded in the Official Records on April 5, 2005 as Document No. 2005H932190 at Reel I861, Image 564, as amended from time to time.

“**HUD**” means the United States Department of Housing and Urban Development.

“**Hunters Point Shipyard**” or “**Shipyard**” means the former Hunters Point Naval Shipyard, located in BVHP.

“**Improvements**” means all physical improvements required or permitted to be made to the Project Site under this DDA, including Infrastructure and Vertical Improvements.

“**Indemnify**” means reimburse, indemnify, defend, and hold harmless.
“**Indemnification**” has a correlative meaning.

“**Infrastructure**” means those items identified in the Infrastructure Plan including open space improvements (including park improvements and restrooms), streets, rails, sewer and storm drainage systems, water systems, street improvements (including freeway ramps or other demolition), traffic signal systems, dry utilities and other improvements any of which are to be constructed in or for the benefit of the applicable real property or any other matters described in the Infrastructure Plan, and shall include such work as is necessary to deliver real property to State Parks and the State Lands Commission in the condition required under the applicable Land Acquisition Agreement, or otherwise so as to create Developable Lots as set forth in Section 7.8.

“**Infrastructure Plan**” means the document attached hereto as Exhibit I, as such document may be amended from time to time in accordance with the terms of this DDA.

“**Interagency Cooperation Agreement**” means that certain Interagency Cooperation Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) entered into in connection with the Project between the Agency and the City and attached hereto as Attachment 1, as amended from time to time.

“**Jamestown Parcels**” means that area of the Candlestick Site identified as such on Exhibit A-A.

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

“**Major Phase 1**” means the area identified as Major Phase 1 in the Phasing Plan.

“**Major Phase 2**” means the area identified as Major Phase 2 in the Phasing Plan.

“**Major Phase 3**” means the area identified as Major Phase 3 in the Phasing Plan.

“**Major Phase 4**” means the area identified as Major Phase 4 in the Phasing Plan.

“**Marina**” means the area identified as such in the Development Plan.

“Net Worth” means net worth calculated using generally accepted accounting principles (“GAAP”). In the case of a corporation, **“Net Worth”** shall mean shareholders’ equity calculated in accordance with GAAP. Any reference in this DDA to a minimum Net Worth or a Net Worth Requirement shall mean that the Net Worth must be satisfied and maintained at all times.

“Net Worth Requirement” means (i) for Transfer of a Major Phase or portions of a Major Phase that cumulatively equal or exceed a land area of seventy percent (70%) or more of the Major Phase, a Net Worth equal to or more than Seventy-Five Million Dollars (\$75,000,000), increased automatically by ten percent (10%) on each five (5) year anniversary of the Effective Date and (ii) for Transfers of one or more Sub-Phases that cumulatively equal less than seventy percent (70%) of the land area in a Major Phase, a Net Worth equal to or more than the higher of (A) Twenty-Five Million Dollars (\$25,000,000), increased automatically by ten percent (10%) on each five (5) year anniversary of the Effective Date or (B) the amount determined under clause (i) above times the percentage of the total land area in the Major Phase that is being Transferred. Any entity required to satisfy the Net Worth Requirement can do so by either meeting the Net Worth Requirement itself or by providing a Corporate Guaranty, covering all of that entity’s obligations under this DDA without limitation, from an entity that meets the Net Worth Requirement.

“Official Records” means the Official Records of the City and County of San Francisco maintained by the City’s Recorder’s Office.

“Open Space Lot” means a Lot primarily used for Improvements constructed in accordance with the Parks and Open Space Plan.

“Outside Date” means the last date by which a particular obligation may be satisfied, as such date is set forth in the Schedule of Performance.

“Owner” means for a Lot, Unit or commercial condominium in the Project Site, as applicable, the Person holding fee title thereto.

“Parcel A” means that area of the Shipyard Redevelopment Plan Area owned by Developer and the Agency as of the Reference Date.

“Parcel B” means that area of the Shipyard Site identified as such on Exhibit A-A.

“Parcel C” means that area of the Shipyard Site identified as such on Exhibit A-A.

“Parcel D” means that area of the Shipyard Site identified as such on Exhibit A-A.

“Parcel D-2” means that area of the Shipyard Site identified as such on Exhibit A-A.

“Parcel E” means that area of the Shipyard Site identified as such on Exhibit A-A.

“Parcel E-2” means that area of the Shipyard Site identified as such on Exhibit A-A.

“Parcel F” means that area of the Shipyard Site identified as such on Exhibit A-A.

“**Parcel G**” means that area of the Shipyard Site identified as such on Exhibit A-A.

“**Parks and Open Space Plan**” means the plan attached hereto as Exhibit J, as such plan may be amended or supplemented from time to time in accordance with the terms of this DDA.

“**Party**” means, individually or collectively as the context requires, Developer, a Transferee, the Agency and any Vertical Developer that is made a Party to this DDA under the terms of an Assignment and Assumption Agreement Approved by the Agency Director.

“**Permit to Enter**” means, initially, the document attached to this DDA as Exhibit Q, as such document may be revised from time to time by the Agency upon notice thereof to Developer. The Agency, may from time to time amend the attached form of Permit to Enter and impose such insurance, bond, guaranty and indemnification requirements as the Agency determines are necessary or appropriate to protect its interests, consistent with the Agency’s custom and practice and in a manner that will not unnecessarily interfere with or materially increase the cost or risk of Developer’s ability to perform under this DDA or if it would unnecessarily interfere with or materially increase the cost or risk, such amendment must be consistent with commercial industry practice.

“**Permitted Exceptions**” means permitted title exceptions at a close of Escrow as set forth in Section 10.2.

“**Person**” means any natural person or a corporation, partnership, trust, limited liability company, limited liability partnership or other entity.

“**Phasing Plan**” means the map attached hereto as Exhibit C, as such map may be amended from time to time in accordance with the terms of this DDA.

“**Planning Cooperation Agreement**” means that certain Planning Cooperation Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) entered into in connection with the Project between the Agency and the Planning Commission and attached hereto as Attachment 2, as amended from time to time.

“**Private Parcels**” means all real property that Developer must acquire in order to develop the Project as contemplated by this DDA that is not either (i) owned by the Agency or the City as of the Reference Date or (ii) acquired by the Agency or the City after the Reference Date as contemplated by this DDA (including land acquired by the Agency under the Land Acquisition Agreements).

“**Project Site**” means, collectively, the Shipyard Site and the Candlestick Site.

“**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.

“**Qualified Arbitrator**” means a 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 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.

“Qualified Buyer” means a third-party buyer (i) who is not an Affiliate of Developer and is reasonably creditworthy given the obligations it is assuming, and (ii) the principals of which have at least five (5) years of experience in developing the kind of housing or commercial product to be developed on the Lot the Qualified Buyer is seeking to purchase.

“Redevelopment Documents” means: (i) with respect to the Shipyard Site: (a) the Shipyard Redevelopment Plan; (b) the Shipyard Design for Development; and (c) the Shipyard Plan Documents and (ii) with respect to the Candlestick Site: (a) the BVHP Redevelopment Plan; (b) the Candlestick Design for Development; and (c) the BVHP Plan Documents.

“Redevelopment Plan” means, individually or collectively as the context requires, the BVHP Redevelopment Plan and the Shipyard Redevelopment Plan.

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

“Remediation Agreement” means an agreement, not contained in this DDA, between Developer and another Person relating to the remediation of Hazardous Substances on some or all of the Project Site.

“Residential Project” means a Vertical Project that is consistent with the Redevelopment Requirements and contains Units and other consistent uses, if any.

“Schedule of Performance” means the schedule of performance attached hereto as Exhibit D, as such schedule of performance may be updated under the terms of this DDA, including Article 3, amended upon the Approval by Developer and the Agency, or extended by any delay permitted under Article 24 or Article 27.

“SFMTA” means the City’s Municipal Transportation Authority, or any successor public agency designated by or under law.

“Shipyard Design for Development” means the document attached hereto as Attachment 6, as amended from time to time consistent with Article 12.

“Shipyard Plan Amendment” means the amendment to the Shipyard Redevelopment Plan approved by the Agency Commission on the Reference Date.

“Shipyard Plan Documents” means the written Plan Documents as defined in the Shipyard Plan Amendment approved by the Agency Commission on the Reference Date and as such documents may be amended, supplemented, or added to from time to time consistent with Article 12.

“Shipyard Redevelopment Plan” means the Redevelopment Plan for the Hunters Point Shipyard Redevelopment Project, approved and adopted by the Board of Supervisors by

ordinance number 285-97 on July 14, 1997, amended by the Shipyard Plan Amendment, and as the same may be further amended from time to time consistent with Article 12.

“Shipyard Redevelopment Plan Area” means the real property comprising the Hunters Point Shipyard Project Area under the Shipyard Redevelopment Plan.

“Shipyard Site” means the Shipyard Redevelopment Plan Area, but not including the Hunters Point Hill Residential District (as defined and set forth in the Shipyard Plan Amendment).

“Significant Change” means (i) Developer files a petition for bankruptcy, or makes a general assignment for the benefit of its creditors, (ii) a receiver is appointed on account of Developer’s insolvency, (iii) a writ of execution or attachment or any similar process is issued or levied against any bank accounts of Developer, or against any property or assets of Developer being used or required for use in the development of the Infrastructure or against any substantial portion of any other property or assets of Developer, (iv) a final non-appealable judgment is entered against Developer in an amount in excess of Five Million Dollars (\$5,000,000.00) and Developer does not satisfy or bond the judgment, or (v) without the consent of Developer, an application for relief is filed against Developer 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.

“State Reimbursement Agreements” means, individually or collectively as the context requires, (i) that certain Memorandum of Understanding between State Parks, the City and the Agency, dated as of May 5, 2009, together with any amendments thereto approved by the parties thereto and Approved by Developer in its sole discretion and (ii) that certain Standard Agreement between the Agency and State Lands referenced as contract no. R19607, together with any amendments thereto approved by the parties thereto and Approved by Developer in its sole discretion.

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

“Substantial Completion” and any variation thereof means (A) for Infrastructure, that (i) Developer provides adequate evidence to the Agency Director that eighty five percent (85%) of the contract price for the construction of such Infrastructure (including all change orders) has been expended and (ii) such Infrastructure has been Completed except for (x) customary punch list work that does not prevent a Vertical Developer from constructing Vertical Improvements and (y) work customarily not Completed until Vertical Improvements have been substantially completed in order to avoid damage to such work or to achieve customary sequencing of the work (e.g., testing that requires Vertical Improvements to be in place) and (B) for Vertical Improvements, that (i) Vertical Developer provides adequate evidence to the Agency Director that eighty five percent (85%) of the contract price for the construction of such Vertical Improvements (including all change orders) has been expended and (ii) the Agency Director determines, in his or her reasonable discretion following consultation with DBI, that the life

safety systems within the applicable Vertical Improvement have been installed and are fully functional.

“Title Company” means Chicago Title Company, or such other reputable title company determined by Developer and Approved by the Agency Director, 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 DDA.

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

“Transferee” means any Person to whom Developer Transfers any rights and corresponding obligations under this DDA relating to Major Phase Applications or Sub-Phase Applications, Infrastructure or horizontal development, as permitted under this DDA, including Transfers to Affiliates of Developer. Vertical Developers, or any transferee of the right to apply for or construct Vertical Improvements, shall not be deemed to be Transferees as such term is used in this DDA.

“Transportation Plan” means the document attached hereto as Exhibit N, as such document may be amended from time to time in accordance with the terms of this DDA.

“Vertical Developer” means for a particular Lot or Vertical Improvement, the Person that is a party to the applicable Assignment and Assumption Agreement related thereto.

“Vertical Improvement” means an Improvement to be developed under this DDA that is not Infrastructure or Improvements required to be Completed by Developer on the Open Space Lots.

“Vertical Project” means the process of designing, Commencing and Completing a Vertical Improvement under this DDA.