

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE

by and between

DOUG WONG AND PEARL YEE

as Seller

and

CITY AND COUNTY OF SAN FRANCISCO

as Buyer

For the purchase and sale of

5025 Third Street
San Francisco, California

August 15, 2008

TABLE OF CONTENTS

	<u>Page</u>
1. PURCHASE AND SALE	1
1.1. Property Included in Sale	1
2. PURCHASE PRICE	1
2.1. Purchase Price	1
2.2. Payment	1
2.3. Funds	2
3. TITLE TO THE PROPERTY	2
3.1. Conveyance of Title to the Property	2
3.2. Title Insurance	2
4. BUYER'S DUE DILIGENCE INVESTIGATIONS	2
4.1. Due Diligence and Time for Satisfaction of Conditions	2
4.2. Entry	2
4.3. City's Conditions to Closing	3
4.4. Cooperation with City	5
5. ESCROW AND CLOSING	5
5.1. Opening of Escrow	5
5.2. Closing Date	5
5.3. Seller's Delivery of Documents	6
5.4. City's Delivery of Documents and Funds	6
5.5. Other Documents	6
5.6. Property Exchange	7
6. EXPENSES AND TAXES	7
6.1. Utility Charges	7
6.2. Closing Costs	7
6.3. Real Estate Taxes and Special Assessments	7
6.4. Post-Closing Reconciliation	7
6.5. Survival	8
7. REPRESENTATIONS AND WARRANTIES	8
7.1. Representations and Warranties of Seller	8
7.2. Indemnity	9
7.3. City's Investigation	10
7.4. Definitions	10
8. RISK OF LOSS AND POSSESSION	11
8.1. Risk of Loss	11
8.2. Condemnation	11
8.3. Possession	11
9. MAINTENANCE; CONSENT TO NEW CONTRACTS	11
9.1. Maintenance of the Property by Seller	11
9.2. City's Consent to New Contracts Affecting the Property; Termination of Existing Contracts	11
10. GENERAL PROVISIONS	11
10.1. Notices	11

10.2.	Brokers and Finders	12
10.3.	Successors and Assigns.....	12
10.4.	Amendments	12
10.5.	Continuation and Survival of Representations and Warranties	13
10.6.	Governing Law	13
10.7.	Merger of Prior Agreements	13
10.8.	Parties and Their Agents; Approvals	13
10.9.	Interpretation of Agreement.....	13
10.10.	Attorneys' Fees.....	13
10.11.	Sunshine Ordinance	14
10.12.	Conflicts of Interest.....	14
10.13.	Notification of Limitations on Contributions	14
10.14.	Time of the Essence	14
10.15.	Severability	14
10.16.	City Charter.....	14
10.17.	Non-Liability of City Officials, Employees and Agents	14
10.18.	No Relocation Assistance	14
10.19.	Counterparts	15
10.20.	Effective Date	15

LIST OF EXHIBITS

EXHIBIT A	REAL PROPERTY DESCRIPTION
EXHIBIT B	GRANT DEED
EXHIBIT C	FIRPTA Affidavit
EXHIBIT D	DESIGNATION AGREEMENT
Schedule 1	Seller's Environmental Disclosure
Schedule 2	City's Environmental Reports

AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE
(Assessors Lot 7A, Block 5339, San Francisco)

THIS AGREEMENT OF PURCHASE AND SALE FOR REAL ESTATE (this "Agreement") dated for reference purposes only as of August 15, 2008, is by and between DOUG WONG, an individual, and PEARL YEE an individual [**Confirm from Preliminary Report**] (collectively, "Seller"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("Buyer" or "City").

IN CONSIDERATION of the payment of the non-refundable sum of Ten Dollars (\$10) by City, the receipt of which is hereby acknowledged by Seller, and the respective agreements contained hereinbelow, Seller and City agree as follows:

1. PURCHASE AND SALE

1.1 Property Included in Sale. Seller agrees to sell and convey to City, and City agrees to purchase from Seller, subject to the terms, covenants and conditions hereinafter set forth, the following:

(a) the real property consisting of approximately 3,227 square feet of land, located in the City and County of San Francisco, commonly known as 5025 Third Street and more particularly described in Exhibit A attached hereto (the "Land");

(b) all improvements located on the Land (collectively, the "Improvements"); and

(c) any and all of Seller's rights, privileges, and easements incidental or appurtenant to the Land or Improvements, including, without limitation, any and all minerals, oil, gas and other hydrocarbon substances on and under the Land, as well as any and all development rights, air rights, water, water rights, riparian rights and water stock relating to the Land, and any and all easements, rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land or Improvements, and any and all of Seller's right, title and interest in and to all roads and alleys adjoining or servicing the Land or Improvements, but excluding any title exceptions approved by City during the Due Diligence Period (collectively, the "Appurtenances").

All of the items referred to in subparagraphs (a), (b), and (c) above are collectively referred to as the "Property."

2. PURCHASE PRICE

2.1 Purchase Price. The total purchase price for the Property is One Million One Hundred Seventy Five Thousand Dollars (\$1,175,000) (the "Purchase Price").

2.2 Payment. On the Closing Date (as defined in Section 5.2 [Closing Date]), City shall pay the Purchase Price, adjusted pursuant to the provisions of Article 6 [Expenses and Taxes], and reduced by any credits due City hereunder. Seller acknowledges and agrees that if Seller fails at Closing to deliver to City the documents required under Section 5.3(d) [Seller's Delivery of Documents], City may be required to withhold a portion of the Purchase Price pursuant to Section 1445 of the United States Internal Revenue Code of 1986, as amended (the "Federal Tax Code") or Sections 18662 and 26131 of the California Revenue and Taxation Code (the "State Tax Code"). Any amount properly so withheld by City shall be deemed to have been

paid by City as part of the Purchase Price, and Seller's obligation to consummate the transaction contemplated herein shall not be excused or otherwise affected thereby.

2.3 Funds. All payments made by any party hereto shall be in legal tender of the United States of America, paid by Controller's warrant or in cash or by wire transfer of immediately available funds to Title Company (as defined below), as escrow agent.

3. TITLE TO THE PROPERTY

3.1 Conveyance of Title to the Property. At the Closing Seller shall convey to City, or its nominee, marketable and insurable fee simple title to the Land, the Improvements and the Appurtenances, by duly executed and acknowledged grant deed in the form attached hereto as Exhibit B (the "Deed"), subject to the Accepted Conditions of Title (as defined in Section 4.3(a) [Title Insurance]).

3.2 Title Insurance. Delivery of title in accordance with the preceding Section shall be evidenced by the commitment of [**Chicago Title Insurance Company**] (the "Title Company") to issue to City an ALTA extended coverage owner's policy of title insurance (Form B - 1970 amended 4-6-90) (the "Title Policy") in the amount of the Purchase Price, insuring fee simple title to the Land, the Appurtenances and the Improvements in City, free of the liens of any and all deeds of trust, mortgages, assignments of rents, financing statements, creditors' claims, rights of tenants or other occupants, and all other exceptions, liens and encumbrances except solely for the Accepted Conditions of Title. The Title Policy shall provide full coverage against mechanics' and materialmen's liens arising out of the construction, repair or alteration of any of the Property, shall not contain any exclusion from coverage for creditor's rights or bankruptcy, and shall contain an affirmative endorsement that there are no violations of restrictive covenants, if any, affecting the Property and such special endorsements as City may reasonably request. The Title Policy shall also provide for reinsurance with direct access with such companies and in such amounts as City may reasonably request.

4. BUYER'S DUE DILIGENCE INVESTIGATIONS

4.1 Due Diligence and Time for Satisfaction of Conditions. City has been given or will be given before the end of the Due Diligence Period (as defined below), a full opportunity to investigate the Property, either independently or through agents of City's own choosing, including, without limitation, the opportunity to conduct such appraisals, inspections, tests, audits, verifications, inventories, investigations and other due diligence regarding the economic, physical, environmental, title and legal conditions of the Property as City deems fit, as well as the suitability of the Property for City's intended uses. City shall perform any and all such investigations in a manner not unreasonably disruptive to the business on Seller's property. City and its Agents may commence due diligence investigations on the Property on or after the date this Agreement is executed by both parties hereto. The period for completion of all such investigations shall expire on the date that is thirty (30) days after the effective date of the Board resolution approving this Agreement (the "Due Diligence Period"), subject to the terms and conditions provided below. Seller agrees to deliver to City all of the Documents and other items described in Sections 4.3(d) within five (5) days after the date hereof, provided that if Seller fails to do so, then the expiration of the Due Diligence Period shall be extended by the number of days after the end of such 5-day delivery period that Seller delivers all such items to City.

4.2 Entry. During the Due Diligence Period and at all times prior to the Closing Date Seller shall afford City and its Agents reasonable access to the Property and all books and records located therein for the purposes of satisfying City with respect to the representations, warranties and covenants of Seller contained herein and the satisfaction of the Conditions Precedent (as defined in Section 4.3 below) including, without limitation, the drilling of test

wells and the taking of soil borings. In the event this Agreement is terminated for any reason other than Seller's default hereunder, City shall restore the Property to substantially the condition it was found subject to applicable laws.

4.3 City's Conditions to Closing. The following are conditions precedent to City's obligation to purchase the Property (collectively, "Conditions Precedent"):

(a) City shall have reviewed and approved title to the Property, as follows:

(i) Within five (5) days after the date City and Seller execute this Agreement, Seller shall deliver to City a current extended coverage preliminary report on the Real Property, issued by Title Company, accompanied by copies of all documents referred to in the report (collectively, the "Preliminary Report");

(ii) Within the period referred to in clause (i) above, Seller shall deliver to Buyer copies of any existing or proposed easements, covenants, restrictions, agreements or other documents that affect the Property, and are not disclosed by the Preliminary Report; and

(iii) City may at its option arrange for an "as-built" survey of the Real Property and Improvements prepared by a licensed surveyor (the "Survey"). Such survey shall be acceptable to, and certified to, City and Title Company and in sufficient detail to provide the basis for and the Title Policy without boundary, encroachment or survey exceptions.

City shall advise Seller, prior to the end of the Due Diligence period, what exceptions to title, if any, City is willing to accept (the "Accepted Conditions of Title"). City's failure to so advise Seller within such period shall be deemed disapproval of title. Seller shall have ten (10) days after receipt of City's notice of any objections to title to give City: (i) evidence satisfactory to City of the removal of all objectionable exceptions from title or that such exceptions will be removed or cured on or before the Closing; or (ii) notice that Seller elects not to cause such exceptions to be removed. If Seller gives notice under clause (ii), City shall have ten (10) business days to elect to proceed with the purchase or terminate this Agreement. If City shall fail to give Seller notice of its election within such ten (10) days, City shall be deemed to have elected to terminate this Agreement. If Seller gives notice pursuant to clause (i) and fails to remove any such objectionable exceptions from title prior to the Closing Date, and City is unwilling to take title subject thereto, Seller shall be in default hereunder and City shall have the rights and remedies provided herein or at law or in equity.

(b) City's review and approval, within the Due Diligence Period, of the physical and environmental conditions of the Property, including, without limitation, structural, mechanical, electrical and other physical conditions of the Property. Such review may include an examination for the presence or absence of any Hazardous Material (as defined in Section 7.1(j) below).

If any of City's investigations reveal any contamination of the Property with any Hazardous Material, then City may, at its sole election, by written notice to Seller on or before the end of the Due Diligence Period: (i) extend the Due Diligence Period and the Closing Date to a specified date to allow Seller to cleanup, remove, contain, treat, stabilize, monitor or otherwise control the contamination in compliance with all governmental laws, rules, regulations and requirements and otherwise in a manner acceptable to City; (ii) terminate this Agreement; or (iii) negotiate with Seller a mutually acceptable reduction in the Purchase Price and proceed to Closing. If the Due Diligence Period is extended under clause (i) above and Seller fails to remediate the contamination within the allotted time, City may again choose any of the three options listed above.

(c) City's review and approval, within the Due Diligence Period, of the compliance of the Property with all applicable laws, regulations, permits and approvals.

(d) City's review and approval, within the Due Diligence Period, of (i) the following documents, all to the extent such documents exist and are either in the possession or control of Seller, or any affiliate of Seller, or may be obtained by Seller through the exercise of commercially reasonable efforts (but such efforts shall not include the hiring of persons to create documents that do not currently exist): site plans; recent inspection reports by Seller's consultants and engineers; utility contracts; certificates of occupancy; any and all correspondence with governmental or quasi-governmental agencies relating to the Property; any litigation or threatened litigation affecting the Property; environmental reports, studies, surveys, tests and assessments; soils and geotechnical reports; and any other contracts or documents of significance to the Property (collectively, the "Documents"); and (ii) such other information relating to the Property that is specifically requested by City of Seller in writing during the Due Diligence Period (collectively, the "Other Information").

(e) Seller shall not be in default in the performance of any covenant or agreement to be performed by Seller under this Agreement, and all of Seller's representations and warranties contained in or made pursuant to this Agreement shall have been true and correct when made and shall be true and correct as of the Closing Date. At the Closing Seller shall deliver to City a certificate certifying that each of Seller's representations and warranties contained in Section 7.1, Representations and Warranties of Seller, below are true and correct as of the Closing Date.

(f) The physical condition of the Property shall be substantially the same on the Closing Date as on the date of City's execution of this Agreement, reasonable wear and tear and loss by casualty excepted (subject to the provisions of Section 8.1 [Risk of Loss]), provided, Seller shall have removed all personal property, vehicles, and equipment from the Property, and, as of the Closing Date, there shall be no litigation or administrative agency or other governmental proceeding, pending or threatened, which after the Closing would materially adversely affect the value of the Property or the ability of City to operate the Property for its intended use, and no proceedings shall be pending or threatened which could or would cause the change, redesignation or other modification of the zoning classification of, or of any building or environmental code requirements applicable to, any of the Property.

(g) Title Company shall be committed at the Closing to issue to City, or its nominee, the Title Policy as provided in Section 3.2 [Title Insurance].

(h) The City's Library Commission, Mayor and the Board of Supervisors, in the respective sole discretion of each, shall have enacted a resolution or ordinance approving, adopting and authorizing this Agreement and the transactions contemplated herein.

(i) Seller shall have delivered the items described in Section 5.3 below [Seller's Delivery of Documents] on or before the Closing.

(j) The Property shall be in a good and clean condition, free of debris, personalty, equipment, and tenants, on the day before the Closing Date, as approved by City following a scheduled walk-through of the Property on such day.

The Conditions Precedent contained in the foregoing subsections (a) through (j) are solely for the benefit of City. If any Condition Precedent is not satisfied, City shall have the right in its sole discretion either to waive in writing the Condition Precedent in question and proceed with the purchase or, in the alternative, terminate this Agreement, provided that the Condition Precedent described in item (h) above may not be waived. The waiver of any Condition Precedent shall not

relieve Seller of any liability or obligation with respect to any representation, warranty, covenant or agreement of Seller. If City shall not have approved or waived in writing all of the Conditions Precedent in items (a) through (e) by the end of the Due Diligence Period, then this Agreement shall automatically terminate. In addition, the Closing Date may be extended, at City's option, for a reasonable period of time specified by City, to allow such Conditions Precedent to be satisfied, subject to City's further right to terminate this Agreement upon the expiration of the period of any such extension if all such Conditions Precedent have not been satisfied.

In the event the sale of the Property is not consummated because of a default under this Agreement on the part of Seller or if a Condition Precedent cannot be fulfilled because Seller frustrated such fulfillment by some affirmative act or negligent omission, City may, at its sole election, either (1) terminate this Agreement by delivery of notice of termination to Seller, whereupon Seller shall pay to City any title, escrow, legal and inspection fees incurred by City and any other expenses incurred by City in connection with the performance of its due diligence review of the Property, and neither party shall have any further rights or obligations hereunder, or (2) continue this Agreement pending City's action for specific performance and/or damages hereunder, including, without limitation, City's costs and expenses incurred hereunder.

4.4 Cooperation with City. Seller shall cooperate with City and do all acts as may be reasonably requested by City with regard to the fulfillment of any Conditions Precedent including, without limitation, execution of any documents, applications or permits, but Seller's representations and warranties to City shall not be affected or released by City's waiver or fulfillment of any Condition Precedent. Seller hereby irrevocably authorizes City and its Agents to make all inquiries with and applications to any person or entity, including, without limitation, any regulatory authority with jurisdiction as City may reasonably require to complete its due diligence investigations.

5. ESCROW AND CLOSING

5.1 Opening of Escrow. On or before the Effective Date (as defined in Section 10.19, Effective Date), the parties shall open escrow by depositing an executed counterpart of this Agreement with Title Company, and this Agreement shall serve as instructions to Title Company as the escrow holder for consummation of the purchase and sale contemplated hereby. Seller and City agree to execute such additional or supplementary instructions as may be appropriate to enable the escrow holder to comply with the terms of this Agreement and close the transaction; provided, however, that in the event of any conflict between the provisions of this Agreement and any additional supplementary instructions, the terms of this Agreement shall control.

5.2 Closing Date.

(a) The consummation of the purchase and sale contemplated hereby (the "Closing") shall be held and delivery of all items to be made at the Closing under the terms of this Agreement shall be made at the offices of Title Company located at **[388 Market Street, Suite 1300]**, San Francisco, California, on the date that is ninety (90) days (if not a business day, then the next business day) after the effective date of a resolution or ordinance of the Board of Supervisors approving this Agreement, or on such earlier date as City and Seller may mutually agree (the "Closing Date"), subject to the provisions of Section 4.3, City's Condition to Closing, and Section 5.6, Property Exchange. The Closing Date may not be extended without the prior written approval of both Seller and City, except as otherwise expressly provided in this Agreement. In the event the Closing does not occur on or before the Closing Date, Title Company shall, unless it is notified by both parties to the contrary within five (5) days after the Closing Date, return to the depositor thereof items which may have been deposited hereunder. Any such return shall not, however, limit the provisions hereof or otherwise relieve either party hereto of any liability it may have for its wrongful failure to close.

(b) On the day before the scheduled Closing Date, Seller and any tenants or occupants of the Property shall have vacated the premises, removed all personalty, equipment, debris, and vehicles, and left the Property in a good and clean condition. City shall perform a walk-through of the Property on such day to confirm that the Property is in the condition required above. As set forth in Section 3.3(j) above, City's approval of the Property on this walk-through is a condition to City's obligation to purchase the Property, and Seller's failure to deliver the Property in this condition shall be a breach of this Agreement.

5.3 Seller's Delivery of Documents. At or before the Closing, Seller shall deliver to City, through escrow, the following:

- (a) a duly executed and acknowledged Deed;
 - (b) originals of the Documents, and any other items relating to the ownership or operation of the Property not previously delivered to City;
 - (c) a properly executed affidavit pursuant to Section 1445(b)(2) of the Federal Tax Code in the form attached hereto as Exhibit C, and on which City is entitled to rely, that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code;
 - (d) a properly executed California Franchise Tax Board Form 590 certifying that Seller is a California resident if Seller is an individual or Seller has a permanent place of business in California or is qualified to do business in California if Seller is a corporation or other evidence satisfactory to City that Seller is exempt from the withholding requirements of Sections 18662 and 26131 of the State Tax Code;
 - (e) such resolutions, authorizations, or other partnership documents or agreements relating to Seller and its partners as City or the Title Company may reasonably require to demonstrate the authority of Seller to enter into this Agreement and consummate the transactions contemplated hereby, and such proof of the power and authority of the individuals executing any documents or other instruments on behalf of Seller to act for and bind Seller;
 - (f) a closing statement in form and content satisfactory to City and Seller;
- and
- (g) the duly executed certificate regarding the continued accuracy of Seller's representations and warranties as required by Section 4.3(e) hereof.

5.4 City's Delivery of Documents and Funds. At or before the Closing, City shall deliver to Seller through escrow the following:

- (a) an acceptance of the Deed executed by City's Director of Property;
 - (b) a closing statement in form and content satisfactory to City and Seller;
- and
- (c) the Purchase Price, as provided in Article 2 hereof.

5.5 Other Documents. Seller and City shall each deposit such other instruments as are reasonably required by Title Company as escrow holder or otherwise required to close the escrow and consummate the purchase of the Property in accordance with the terms hereof, including, without limitation, an agreement (the "Designation Agreement") designating Title Company as the "Reporting Person" for the transaction pursuant to Section 6045(e) of the

Federal Tax Code and the regulations promulgated thereunder, and executed by Seller, City and Title Company. The Designation Agreement shall be substantially in the form attached hereto as Exhibit D and, in any event, shall comply with the requirements of Section 6045(e) of the Federal Tax Code and the regulations promulgated thereunder.

5.6 Property Exchange. City agrees to cooperate with Seller and any escrow holder or exchange facilitator selected by Seller in facilitating a tax-deferred exchange pursuant to the Internal Revenue Code of 1986 (the "Code"), undertaken by Seller with respect to the Property, provided that Seller shall Indemnify the City against all costs and liabilities incurred by the City in connection with any such exchange, and provided further that: (a) consummation or accomplishment of such an exchange shall not be a condition precedent or a condition subsequent to either party's obligations under this Agreement; (b) Seller shall effect the exchange through an assignment of this Agreement, or its rights under this Agreement, to a qualified intermediary without release of Seller from any liability hereunder; (c) Seller shall pay any additional costs that would not otherwise have been incurred by Seller or the City had Seller not undertaken such exchange; and (d) the City shall not be required to take an assignment of the purchase for purposes of consummating the exchange. Neither party by this agreement or acquiescence to an exchange shall have its rights under this Agreement affected or diminished in any manner or be responsible for compliance with or be deemed to have warranted to the other party that the exchange in fact complies with Section 1031 of the Code. Seller shall have the right to extend the Closing Date by a period of up to one hundred twenty (120) days in order to effectuate a property exchange. Seller shall notify City in writing of any such extension and of the date upon which Seller is prepared to close. The Closing Date shall be the date proposed by Seller, provided, City shall have a period of not less than twenty-one (21) days following notification to deposit funds into escrow and otherwise satisfy its closing obligations.

6. EXPENSES AND TAXES

6.1 Utility Charges. Seller shall cause all the utility meters to be read on the Closing Date, and will be responsible for the cost of all utilities used prior to the Closing Date. All utility deposits paid by Seller shall remain the property of Seller and City shall reasonably cooperate to cause such deposits to be returned to Seller to the extent Seller is entitled thereto.

6.2 Closing Costs. City shall pay the cost of the Survey, the premium for the Title Policy and the cost of the endorsements thereto, and one-half of the escrow and recording fees. City shall receive a credit at Closing in the amount that Seller would typically pay for real estate transfer taxes (but shall not be required to pay because City is the buyer). Seller shall pay one-half of the escrow and recording fees, and all costs incurred in connection with the prepayment or satisfaction of any loan, bond or other indebtedness secured by the Property including, without limitation, any prepayment fees, penalties or charges. Any other costs and charges of the escrow for the sale not otherwise provided for in this Section or elsewhere in this Agreement shall be allocated in accordance with the closing customs for San Francisco County, as determined by Title Company.

6.3 Real Estate Taxes and Special Assessments. General real estate taxes payable for the tax year prior to year of Closing and all prior years shall be paid by Seller at or before the Closing. General real estate taxes payable for the tax year of the Closing shall be prorated through escrow by Seller and City as of the Closing Date. At or before the Closing, Seller shall pay the full amount of any special assessments against the Property, including, without limitation, interest payable thereon, applicable to the period prior the Closing Date.

6.4 Post-Closing Reconciliation. If any of the foregoing prorations cannot be calculated accurately on the Closing Date, then they shall be calculated as soon after the Closing

Date as feasible. Either party owing the other party a sum of money based on such subsequent prorations shall promptly pay such sum to the other party.

6.5 Survival. The provisions of this Article shall survive the Closing.

7. REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Seller. Seller represents and warrants to and covenants with City as follows:

(a) To the best of Seller's knowledge, there are now, and at the time of the Closing will be, no material physical or mechanical defects of the Property, and no violations of any laws, rules or regulations applicable to the Property, including, without limitation, any earthquake, life safety and handicap laws (including, but not limited to, the Americans with Disabilities Act).

(b) The Documents and Other Information furnished to City are all of the relevant documents and information pertaining to the condition and operation of the Property to the extent available to Seller, and are and at the time of Closing will be true, correct and complete copies of such documents. Seller has made available to City copies of any and all environmental reports, studies, assessments, and data in its possession and/or under its control.

(c) Seller does not have knowledge of any condemnation, either instituted or planned to be instituted by any governmental or quasi-governmental agency, which could detrimentally affect the use, operation or value of the Property.

(d) To Seller's knowledge, all water, sewer, gas, electric, telephone, and drainage facilities and all other utilities required by law or by Seller's normal use and operation of the Property are and at the time of Closing will be installed to the property lines of the Property and are and at the time of Closing will be adequate for Seller's uses of the Property.

(e) There are no easements or rights of way which have been acquired by prescription or which are otherwise not of record with respect to the Property, and there are no easements, rights of way, permits, licenses or other forms of agreement which afford third parties the right to traverse any portion of the Property to gain access to other real property except as set forth in the preliminary title report for the Property prepared by [**Chicago Title Company and dated August _____, 2009**]. There are no disputes with regard to the location of any fence or other monument of the Property's boundary nor any claims or actions involving the location of any fence or boundary.

(f) There is no litigation pending or, after due and diligent inquiry, to the best of Seller's knowledge, threatened, against Seller or any basis therefor that arises out of the ownership of the Property or that might detrimentally affect the use or operation of the Property for its intended purpose or the value of the Property or the ability of Seller to perform its obligations under this Agreement.

(g) Seller is the legal and equitable owner of the Property, with full right to convey the same, and without limiting the generality of the foregoing, Seller has not granted any option or right of first refusal or first opportunity to any third party to acquire any interest in any of the Property. Seller has not leased all or any part of the Property, and has not entered into any contract affecting all or any part of the Property, that will survive the Closing Date. All leases and contracts affecting the Property will be terminated on or before the Closing Date, and Seller shall deliver the Property to City free from the rights of any other party, including tenants.

(h) This Agreement and all documents executed by Seller which are to be delivered to City at the Closing are or will be duly authorized, executed and delivered by Seller, and at the Closing will be, legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms. The documents delivered to City at the Closing will be sufficient to convey good and marketable title (if they purport to do so), and do not, and at the Closing will not, violate any provision of any agreement or judicial order to which Seller is a party or to which Seller or the Property is subject.

(i) Seller knows of no facts nor has Seller failed to disclose any fact that would prevent City from developing the Land as a library after Closing.

(j) Seller hereby represents and warrants to and covenants with City that, except as described in Schedule 1 ("Seller's Environmental Disclosure"), the following statements are true and correct and will be true and correct as of the Closing Date: (i) neither the Property nor to the best of Seller's knowledge any real estate in the vicinity of the Property is in violation of any Environmental Laws; (ii) the Property is not now, nor to the best of Seller's knowledge has it ever been, used in any manner for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material; (iii) there has been no release and there is no threatened release of any Hazardous Material in, on, under or about the Property; (iv) there have not been and there are not now any underground storage tanks, septic tanks or wells or any aboveground storage tanks at any time used to store Hazardous Material located in, on or under the Property, or if there have been or are any such tanks or wells located on the Property, their location, type, age and content has been specifically identified in Seller's Environmental Disclosure, they have been properly registered with all appropriate authorities, they are in full compliance with all applicable statutes, ordinances and regulations, and they have not resulted in the release or threatened release of any Hazardous Material into the environment; (v) the Property does not consist of any landfill or of any building materials that contain Hazardous Material; and (vi) the Property is not subject to any claim by any governmental regulatory agency or third party related to the release or threatened release of any Hazardous Material, and there is no inquiry by any governmental agency with respect to the presence of Hazardous Material in, on, under or about the Property, or the migration of Hazardous Material from or to other property. The undefined terms used in this section shall have the meanings set forth in Section 7.5, Definitions, below.

(k) There are now, and at the time of Closing will be, no leases or other occupancy agreements affecting any of the Property. At the time of Closing there will be no outstanding written or oral contracts made by Seller for any of the Improvements that have not been fully paid for and Seller shall cause to be discharged all mechanics' or materialmen's liens arising from any labor or materials furnished to the Property prior to the time of Closing. There are no obligations in connection with the Property which will be binding upon City after Closing.

(l) Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Tax Code.

(m) Seller is familiar with the provisions of Sections 15.103 and C8.105 of the San Francisco Charter and Sections 1090 through 1097 and 87100 through 87103.5 of the California Government Code, all of which relate to prohibited conflicts of interest in connection with government contracts, and Seller knows of no facts that constitute a violation of such sections, or any of them. Seller agrees to immediately notify City if Seller shall at any time obtain knowledge of facts constituting such a violation.

7.2 Indemnity. Seller, on behalf of itself and its successors and assigns, hereby agrees to indemnify, defend and hold harmless City, its Agents and their respective successors and assigns, from and against any and all liabilities, claims, demands, damages, liens, costs,

penalties, losses and expenses, including, without limitation, reasonable attorneys' and consultants' fees, resulting from any misrepresentation or breach of warranty or breach of covenant made by Seller in this Agreement or in any document, certificate, or exhibit given or delivered to City pursuant to or in connection with this Agreement. The foregoing indemnity includes, without limitation, costs incurred in connection with the investigation of site conditions and all activities required to locate, assess, evaluate, remediate, cleanup, remove, contain, treat, stabilize, monitor or otherwise control any Hazardous Material. The indemnification provisions of this Section shall survive beyond the Closing, or, if title is not transferred pursuant to this Agreement, beyond any termination of this Agreement.

7.3 City's Investigation. City, on behalf of itself, its successors and assigns, hereby agrees that it has been given a full opportunity to investigate the Property and to conduct appraisals, inspections, tests, audits, investigations and other due diligence, including, without limitation, due diligence on the environmental condition of the Property, and by closing escrow, City shall have approved the environmental condition of the Property. City has reviewed the reports and information set forth in Seller's Environmental Disclosure. Seller's Environmental Disclosure and any results of any investigations by City during the Due Diligence Period shall collectively be referred to as the "Known Hazardous Materials."

7.4 Definitions. As used herein, the following terms shall have the meaning below:

(a) "Environmental Laws" shall mean any present or future federal, state or local laws, ordinances, regulations or policies relating to Hazardous Material (including, without limitation, their use, handling, transportation, production, disposal, discharge or storage) or to health and safety, industrial hygiene or environmental conditions in, on, under or about the Property, including, without limitation, soil, air and groundwater conditions. It includes but is not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Sections 9601 et seq.), the Resource Conservation and Recovery Act of 1976, as amended, and any other applicable laws, statutes or ordinances which relate to protection of the Environment, human health or safety or to Releases or threatened Releases of Hazardous Materials in the Environment, or otherwise relating to the treatment, storage, disposal, transport or handling of any Hazardous Material.

(b) "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to CERCLA or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of the Improvements or are naturally occurring substances on or about the Property; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and "source," "special nuclear" and "by-product" material as defined in the Atomic Energy Act of 1985, 42 U.S.C. Sections 3011, et seq.

(c) "Release" or "threatened release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside any of the improvements, or in, on, under or about the Property. Release shall include, without limitation, "release" as defined in Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601).

(d) "Environment" means ambient air, surface water, ground water, land surface or subsurface strata.

(e) "Environmental Claim" means any written notice or claim by any person alleging or asserting liability for investigatory costs, cleanup costs. Governmental or Regulatory Body response costs, damages to natural resources or other property, personal injuries, fines or penalties arising out of, based on or resulting from (a) the presence or Release into the Environment of any Hazardous Material, or (b) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law.

8. RISK OF LOSS AND POSSESSION

8.1 Risk of Loss. If any of the Property is damaged or destroyed prior to the Closing Date, then Seller shall immediately notify City of same. City shall have the option to either: (i) proceed with the Closing at the agreed upon Purchase Price; or (ii) terminate this Agreement without cost or penalty.

8.2 Condemnation. If condemnation proceedings are initiated against all or any portion of the Property prior to the Closing Date, or if Seller becomes aware of any proposed condemnation proceedings, Seller shall immediately notify City of same. If City determines that the proposed condemnation will render the Property infeasible for City's intended uses, then City shall have the right, at its sole discretion, to terminate this Agreement without cost or penalty. If City elects to terminate this Agreement, it shall do so in writing within thirty (30) days following Seller's notification of the proposed condemnation. If City does not terminate this Agreement, then this Agreement shall proceed and Seller shall assign to City any and all condemnation proceedings and the right to receive any future condemnation proceedings.

8.3 Possession. Possession of the Property shall be delivered to City on the Closing Date. The provisions of this Article 8 shall survive the Closing.

9. MAINTENANCE; CONSENT TO NEW CONTRACTS

9.1 Maintenance of the Property by Seller. Between the date of Seller's execution of this Agreement and the Closing, Seller shall maintain the Property in good order, condition and repair, reasonable wear and tear excepted, and shall make all repairs, maintenance and replacements of the Improvements and otherwise operate the Property in the same manner as before the making of this Agreement, as if Seller were retaining the Property.

9.2 City's Consent to New Contracts Affecting the Property; Termination of Existing Contracts. After the date of execution of this Agreement, Seller shall not enter into any lease or contract, or any amendment thereof, or permit any tenant of the Property to enter into any sublease, assignment or agreement pertaining to the Property, without in each instance obtaining City's prior written consent thereto, which City may withhold in its sole and absolute discretion. Seller shall terminate prior to the Closing, at no cost or expense to City, any and all leases, management agreements, and other agreements affecting the Property.

10. GENERAL PROVISIONS

10.1 Notices. Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given upon (i) hand delivery, against receipt, (ii) one day after being deposited with a reliable overnight courier service, or (iii) two (2) days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, and addressed as follows:

City: Attention: Amy L. Brown
Director of Property
Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, California 94102
Facsimile No.: (415) 552-9216

with copy to: Anita Wood
Deputy City Attorney
Office of the City attorney
City Hall, Room 234
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4682
Facsimile No.: (415) 554-4755

Seller: Doug Wong and Pearl Yee
2112 Lake Street
San Francisco, CA 94121
Facsimile No.: () _____

With a copy to:

or to such other address as either party may from time to time specify in writing to the other upon five (5) days prior written notice in the manner provided above. For convenience of the parties, copies of notices may also be given by telefacsimile, to the telephone number listed above, or such other numbers as may be provided from time to time. However, neither party may give official or binding notice by facsimile. The effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a telefacsimile copy of the notice.

10.2 Brokers and Finders. Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the purchase and sale contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes his or her claim shall be responsible for such commission or fee and shall indemnify and hold harmless the other party from all claims, costs, and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by the indemnified party in defending against the same. The provisions of this Section shall survive the Closing.

10.3 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.

10.4 Amendments. Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by City and Seller.

10.5 Continuation and Survival of Representations and Warranties. All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement are intended to be, and shall remain, true and correct as of the Closing, shall be deemed to be material, and, together with all conditions, covenants and indemnities made by the respective parties contained herein or made in writing pursuant to this Agreement (except as otherwise expressly limited or expanded by the terms of this Agreement), shall survive the execution and delivery of this Agreement and the Closing, or, to the extent the context requires, beyond any termination of this Agreement. All statements contained in any certificate or other instrument delivered at any time by or on behalf of Seller in conjunction with the transaction contemplated hereby shall constitute representations and warranties hereunder.

10.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

10.7 Merger of Prior Agreements. The parties intend that this Agreement (including all of the attached exhibits and schedules, which are incorporated into this Agreement by reference) shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous oral or written agreements or understandings. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including, without limitation, prior drafts or changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Agreement.

10.8 Parties and Their Agents; Approvals. The term "Seller" as used herein shall include the plural as well as the singular. If there is more than one Seller, then the obligations under this Agreement imposed on Seller shall be joint and several. As used herein, the term "Agents" when used with respect to either party shall include the agents, employees, officers, contractors and representatives of such party. All approvals, consents or other determinations permitted or required by City hereunder shall be made by or through City's Director of Property unless otherwise provided herein, subject to applicable law.

10.9 Interpretation of Agreement. The article, section and other headings of this Agreement and the table of contents are for convenience of reference only and shall not affect the meaning or interpretation of any provision contained herein. Whenever the context so requires, the use of the singular shall be deemed to include the plural and vice versa, and each gender reference shall be deemed to include the other and the neuter. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein. In addition, each party has been represented by experienced and knowledgeable legal counsel. Accordingly, any rule of law (including California Civil Code section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the purposes of the parties and this Agreement.

10.10 Attorneys' Fees. If either party hereto fails to perform any of its respective obligations under this Agreement or if any dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party on account of such default and/or in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into

any such judgment. For purposes of this Agreement, the reasonable fees of attorneys of City's Office of City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the City Attorney's Office.

10.11 Sunshine Ordinance. Seller understands and agrees that under the City's Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) and the State Public Records Law (Gov. Code Section 6250 et seq.), this Agreement and any and all records, information, and materials submitted to the City hereunder public records subject to public disclosure. Seller hereby acknowledges that the City may disclose any records, information and materials submitted to the City in connection with this Agreement.

10.12 Conflicts of InterestThrough its execution of this Agreement, Seller acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provision, and agrees that if Seller becomes aware of any such fact during the term of this Agreement, Seller shall immediately notify the City.

10.13 Notification of Limitations on Contributions Through its execution of this Agreement, Seller acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing any land or building to or from the City whenever such transaction would require approval by a City elective officer or the board on which that City elective officer serves, from making any campaign contribution to the officer at any time from the commencement of negotiations for such contract until the termination of negotiations for such contract or three (3) months has elapsed from the date the contract is approved by the City elective officer, or the board on which that City elective officer serves.

10.14 Time of the Essence. Time is of the essence of this Agreement.

10.15 Severability. If any provision of this Agreement, or the application thereof to any person, place, or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

10.16 City Charter. All of the terms of this Agreement shall be governed by and subject to the provisions of the Charter of the City and County of San Francisco. There shall be no obligation for the payment or expenditure of money by City under this Agreement unless the Controller of the City and County of San Francisco first certifies, pursuant to Section 3.105 of the Charter, that there is a valid appropriation from which the expenditure may be made and that unencumbered funds are available from the appropriation to pay the expenditure.

10.17 Non-Liability of City Officials, Employees and Agents. Notwithstanding anything to the contrary in this Agreement, no elective or appointive board, commission, member, officer, employee or agent of City shall be personally liable to Seller, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Seller, its successors and assigns, or for any obligation of City under this Agreement.

10.18 No Relocation Assistance. Seller, on behalf of itself and its Agents, tenants and subtenants (the "Seller Parties"), acknowledges that the Seller Parties will not be displaced persons at the Close of Escrow, and the Seller Parties fully RELEASE, WAIVE AND

DISCHARGE forever any and all claims against, and covenants not to sue, City, its departments, commissions, officers, directors and employees, and all persons acting by, through or under each of them, under any laws, including, without limitation, any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws (including, but not limited to, California Government Code Section 7260 et seq.). Without limiting the foregoing, Seller shall, to the extent necessary, cause each of the Seller Parties to expressly waive entitlement to any and all relocation assistance and benefits. Seller shall indemnify, defend, reimburse, and hold City harmless from and against, any and all costs or claims arising out of any relocation assistance or benefits payable to any party as a result of this transaction. The terms of this Section shall survive the Close of Escrow.

10.19 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

10.20 Effective Date. As used herein, the term "Effective Date" shall mean the date on which the City's Board of Supervisors and Mayor enact a resolution or ordinance approving and authorizing this Agreement and the transactions contemplated hereby, following execution of this Agreement by both parties.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, SELLER ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF CITY HAS AUTHORITY TO COMMIT CITY TO THIS AGREEMENT UNLESS AND UNTIL APPROPRIATE LEGISLATION OF CITY'S BOARD OF SUPERVISORS SHALL HAVE BEEN DULY ENACTED APPROVING THIS AGREEMENT AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF CITY HEREUNDER ARE CONTINGENT UPON THE DUE ENACTMENT OF SUCH LEGISLATION, AND THIS AGREEMENT SHALL BE NULL AND VOID IF CITY'S BOARD OF SUPERVISORS AND MAYOR DO NOT APPROVE THIS AGREEMENT, IN THEIR RESPECTIVE SOLE DISCRETION. APPROVAL OF ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY BY ANY DEPARTMENT, COMMISSION OR AGENCY OF CITY SHALL NOT BE DEEMED TO IMPLY THAT SUCH LEGISLATION WILL BE ENACTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON CITY.

The parties have duly executed this Agreement as of the respective dates written below.

SELLER:

DOUG WONG, an individual

PEARL YEE, an individual

Date: _____

CITY:

CITY AND COUNTY OF
SAN FRANCISCO, a municipal corporation

By: _____
Amy L. Brown
Director of Property

Date: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

Board Resolution No. _____

By: _____
Anita Wood
Deputy City Attorney

Adopted on _____

Title Company agrees to act as escrow holder in accordance with the terms of this Agreement and to execute the Designation Agreement (attached hereto as Exhibit D) and act as the Reporting Person (as such term is defined in the Designation Agreement). Title Company's failure to execute below shall not invalidate the Agreement between City and Seller.

TITLE COMPANY:

[**CHICAGO TITLE COMPANY**]

By: _____

Its: _____

Date: _____

EXHIBIT A

REAL PROPERTY DESCRIPTION

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

[Legal Description from Preliminary Report]

EXHIBIT B
GRANT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Director of Property
Real Estate Division
City and County of San Francisco
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102

The undersigned hereby declares this instrument to be
exempt from Recording Fees (Govt. Code § 27383).

Documentary Transfer Tax of \$0 based on
full value of the property conveyed

(Space above this line reserved for Recorder's use only)

GRANT DEED
(Assessor's Lot 7A, Block 5339)

FOR VALUABLE CONSIDERATION, receipt of which is hereby
acknowledged, DOUG WONG, an individual, and PEARL YEE, an individual [**Confirm from
Preliminary Report**](“Grantor”), hereby grants to the CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation, the real property located in the City and County of San
Francisco, State of California, described on Exhibit A attached hereto and made a part hereof
(the "Property").

TOGETHER WITH any and all of Grantor’s rights, privileges and easements
incidental or appurtenant to the Property, including, without limitation, any and all minerals, oil,
gas and other hydrocarbon substances on and under the Property, as well as any and all
development rights, air rights, water, water rights, riparian rights and water stock relating to the
Property, and any and all easements, rights-of-way or other appurtenances used in connection
with the beneficial use and enjoyment of the Land and all of Grantor's right, title and interest in
and to any and all roads and alleys adjoining or servicing the Property.

Executed as of this ____ day of _____, 2008.

DOUG WONG, an individual

PEARL YEE, an individual

Exhibit A to Grant Deed

That certain real property, located in the State of California, County of San Francisco, and more particularly described as follows:

[Legal Description from Preliminary Report]

State of California)
) ss
County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California)
) ss
County of San Francisco)

On _____, before me, _____, a notary public in and for said State, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

This is to certify that the interest in real property conveyed by this deed dated _____ to the City and County of San Francisco, a municipal corporation, is hereby accepted pursuant to Board of Supervisors' Resolution No. 18110 Series of 1939, approved August 7 1957, and the grantee consents to recordation thereof by its duly authorized officer.

Dated _____

By: _____

Amy L. Brown
Director of Property

EXHIBIT C

CERTIFICATE OF NON FOREIGN STATUS

Section 1445 of the Internal Revenue Code provides that a transferee (buyer) of a U.S. real property interest must withhold tax if the transferor (seller) is a foreign person. To inform _____ (the "Transferee") that withholding of tax is not required upon the disposition of a U.S. real property interest by _____ (the "Transferor"), the undersigned hereby certifies the following on behalf of the Transferor:

1. That the Transferor is the owner of the following described property, to wit:

Block: _____ Lot: _____ County: _____

Premises: _____

2. The Transferor is not a non-resident alien for purposes of the U.S. income taxation (as such term is defined in the Internal Revenue Code and Income Tax Regulations).

3. The Transferor's U.S. taxpayer identification number (Social Security Number) is:

4. The Transferor's address is:

5. The Transferor understands that this certification be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment or both.

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE EXAMINED THIS CERTIFICATION AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE, CORRECT AND COMPLETE, AND I FURTHER DECLARE THAT I HAVE AUTHORITY TO SIGN THIS DOCUMENT ON BEHALF OF THE TRANSFEROR.

DATED: _____

BY: _____

BY: _____

BY: _____

BY: _____

EXHIBIT D
DESIGNATION AGREEMENT

This DESIGNATION AGREEMENT (the "Agreement") dated as of _____, 200_, is by and between _____, a _____ ("Seller"), the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), and CHICAGO TITLE COMPANY ("Title Company").

A. Pursuant to that certain Purchase Agreement entered into by and between Seller and City, dated _____, 200_ (the "Purchase Agreement"), Seller has agreed to sell to City, and City has agreed to purchase from Seller, certain real property located in City and County of San Francisco, California, more particularly described in Exhibit A attached hereto (the "Property"). The purchase and sale of the Property is sometimes hereinbelow referred to below as the "Transaction").

B. Section 6045(e) of the United States Internal Revenue Code of 1986 and the regulations promulgated thereunder (collectively, the "Reporting Requirements") require an information return to be made to the United States Internal Revenue Service, and a statement to be furnished to Seller, in connection with the Transaction.

C. Pursuant to Subparagraph 2(b)(i) of the Purchase Agreement, an escrow has been opened with Title Company, Escrow No. _____, through which the Transaction will be or is being accomplished. Title Company is either (i) the person responsible for closing the Transaction (as described in the Reporting Requirements) or (ii) the disbursing title or escrow company that is most significant in terms of gross proceeds disbursed in connection with the Transaction (as described in the Reporting Requirements).

D. Seller, City and Title Company desire to designate Title Company as the "Reporting Person" (as defined in the "Reporting Requirements") with respect to the Transactions.

ACCORDINGLY, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller, City and Title Company agree as follows:

1. Title Company is hereby designated as the Reporting Person for the Transaction. Title Company shall perform all duties that are required by the Reporting Requirements to be performed by the Reporting Person for the Transaction.

2. Seller and City shall furnish to Title Company, in a timely manner, any information requested by Title Company and necessary for Title Company to perform its duties as Reporting Person for the transaction.

3. Title Company hereby requests Seller to furnish to Title Company Seller's correct taxpayer identification number. Seller acknowledges that any failure by Seller to provide Title

Company with Seller's correct taxpayer identification number may subject Seller to civil or criminal penalties imposed by law. Accordingly, Seller hereby certifies to Title Company, under penalties of perjury, that Seller's correct taxpayer identification number is _____.

4. The names and addresses of the parties hereto are as follows:

SELLER:

Attn: _____
Facsimile No.: () _____

CITY:

Director of Property
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102
Facsimile No.: () _____

TITLE COMPANY:

Attn: _____
Facsimile No.: () _____

5. Each of the parties hereto shall retain this Agreement for a period of four (4) years following the calendar year during which the date of closing of the Transaction occurs.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date and year first above written.

SELLER:

Attn: _____
Facsimile No.: () _____
Date: _____
By: _____
Its: _____

CITY:

CITY AND COUNTY OF
SAN FRANCISCO, a municipal corporation

By: _____
Director of Property

Title Company:

[**CHICAGO TITLE COMPANY**]

Date: _____

By: _____

Its: _____

Schedule 1

Seller's Environmental Disclosure

1. [**List any Seller Reports**]