

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Catellus Land and Development Corporation
201 Mission Street, Second Floor
San Francisco, CA 94105
Attention: Mission Bay Development Office
and General Counsel



San Francisco Assessor-Recorder
Mabel S. Teng, Assessor-Recorder
DOC- 2004-H802112-00

Acct 1-CHICAGO Title Company
Wednesday, SEP 01, 2004 14:53:38
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CTC # 140230323 ST / #132850

VACANT LAND

ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT

(Mission Bay South)

THIS ASSIGNMENT, ASSUMPTION AND RELEASE AGREEMENT (this "Agreement") is entered into as of December 31, 2003 (the "Effective Date"), by and between the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic of the State of California (together with any successor public agency designated by or pursuant to law, the "Agency"), CATELLUS OPERATING LIMITED PARTNERSHIP, a Delaware limited partnership ("COLP"), successor by merger to Catellus Development Corporation, a Delaware corporation ("CDC"), and CATELLUS LAND AND DEVELOPMENT CORPORATION, a Delaware corporation ("CLDC").

RECITALS:

A. In accordance with the Community Redevelopment Law of the State of California (Health & Safety Code Section 33000 et seq.), the City and County of San Francisco (the "City"), acting through its Board of Supervisors, has approved a Redevelopment Plan for the Mission Bay South Redevelopment Project by Ordinance No. 335-98 adopted by the Board of Supervisors on November 2, 1998. The Redevelopment Plan was recorded in the Office of the Recorder of the City and County of San Francisco on November 18, 1998, as Document No. G470337, and a Certificate of Correction thereto was recorded on January 20, 1999, as Document No. G501704 in the Office of the Recorder of the City and County of San Francisco. The Redevelopment Plan, as it may be amended, is referred to herein as the "Mission Bay South Redevelopment Plan."

B. The Mission Bay South Redevelopment Plan provides for the redevelopment, rehabilitation and revitalization of the area generally bounded by the south embankment of the China Basin Channel and Seventh Street, Interstate 280, Mariposa Street, Terry Francois Boulevard, and Third Street, as more particularly described in the Mission Bay South Redevelopment Plan (the "South Plan Area").

C. In order to facilitate the implementation of the Mission Bay South Redevelopment Plan, the Agency and CDC entered into that certain Mission Bay South Owner Participation Agreement dated as of November 16, 1998 (the "South OPA"), regarding the development of the property within the South Plan Area then owned by CDC. The South OPA was recorded in the Office of the Recorder of the City and County of San Francisco on December 3, 1998, as Document No. G477258, and a Certificate of Correction thereto was recorded on January 20,

1999, as Document No. G501704 in the Office of the Recorder of the City and County of San Francisco. Unless otherwise defined in this Agreement, all initially capitalized defined terms used in this Agreement shall have the respective meanings given them in the South OPA.

D. The South OPA provides that, subject to the terms and conditions contained in Section 14 thereof, CDC (and any subsequent Transferee) shall have the right (1) to Transfer all or any portion of the South Plan Area during the Term of the South OPA; (2) to assign all or a portion of its rights and obligations under the South OPA to such Transferee; and (3) upon the Agency's receipt of an Assumption Agreement, to be released from the obligations of the Owner under the South OPA applicable to the portion of the South Plan Area so transferred.

E. Effective December 1, 2003, CDC merged with and into COLP, which was the surviving entity. As the successor by merger, COLP automatically succeeded to all of the assets and liabilities of CDC following the merger by operation of law, including without limitation, CDC's ownership of the Mission Bay project and CDC's obligations under the South OPA.

F. As of the Effective Date, COLP shall convey to CLDC all of the real property owned by COLP within the South Plan Area, except for that certain real property more particularly described in Exhibit "1" attached hereto and made a part hereof (the "COLP Retained Property"). The real property being conveyed by COLP to CLDC as of the Effective Date is herein referred to as the "Transferred Property" and is more particularly described in Exhibit "2" attached hereto and made a part hereof.

G. In connection with the conveyance of the Transferred Property to CLDC, COLP desires to assign to CLDC as of the Effective Date all of COLP's rights and obligations under the South OPA, except to the extent those rights and obligations are applicable to the COLP Retained Property, and CLDC is willing to accept from COLP such assignment and to assume such obligations of the Owner under the South OPA.

H. In connection with the assignment and assumption of COLP's rights and obligations under the South OPA as provided in this Agreement, COLP desires to be released by the Agency from all of its obligations under the South OPA, except to the extent those obligations are applicable to the COLP Retained Property; and the Agency agrees to release COLP from such obligations on the terms and conditions herein contained.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agency, COLP and CLDC agree as follows:

1. Assignment by COLP.

1.1 Transferred Rights and Obligations. COLP hereby assigns to CLDC as of the Effective Date all of COLP's rights and obligations in, to and under the South OPA (the "Transferred Rights and Obligations"), except for the "COLP Retained Rights and Obligations" (as defined below). The Transferred Rights and Obligations include, without limitation, the following:

1.1.1 COLP's right to grant or deny "Owner's Consent" to an amendment to the Mission Bay South Redevelopment Plan or the Plan Documents with respect to the South Plan Area, except that COLP shall have the right to consent to such an amendment under Section 3.8 of the South OPA to the extent the amendment arises under Subsections 3.8(b) or 3.8(c) of the South OPA and would directly, adversely and materially affect the rights of COLP described in the Redevelopment Plan or the Plan Documents with respect to the COLP Retained Property;

1.1.2 COLP's right to act as the "Owner's Representative" under the South OPA, including under the Financing Plan (attached to the South OPA as Attachment E);

1.1.3 COLP's obligation to construct Infrastructure or other Improvements in connection with the development of the Transferred Property in accordance with the Mission Bay South Infrastructure Plan (attached to the South OPA as Attachment D) (the "**Infrastructure Plan**") or Scope of Development (attached to the South OPA as Attachment D);

1.1.4 COLP's obligations relating to funding the Odor Control Improvements in accordance with the Infrastructure Plan;

1.1.5 COLP's rights and obligations relating to funding the South Affordable Housing Loan Fund in accordance with the Housing Program (attached to the South OPA as Attachment C) (the "**Housing Program**");

1.1.6 COLP's obligation to record "Rental Use Restrictions" (as defined in the Housing Program) on 15% of the total number of Owner Market Rate Residential Units in the South Plan Area and COLP's related obligations in Section 6 of the Housing Program; and

1.1.7 COLP's obligations relating to funding the First Source Hiring Fund in accordance with the Program in Diversity/Economic Development Program (attached to the South OPA as Attachment H).

1.2 **COLP Retained Rights and Obligations.** As used herein, (a) the term "**COLP Retained OPA Rights**" means all rights under the South OPA to the extent applicable to the COLP Retained Property; (b) the term "**COLP Retained OPA Obligations**" means each and all of the obligations, terms, covenants and agreements of the Owner under the South OPA to the extent such obligations, terms, covenants and agreements are applicable to the COLP Retained Property; and (c) the term "**COLP Retained Rights and Obligations**" means, collectively, the COLP Retained OPA Rights and the COLP Retained OPA Obligations. The COLP Retained Rights and Obligations include, without limitation, the following to the extent the same are applicable to the COLP Property: the obligations under the South OPA to comply with the requirements of the First Source Hiring Program, the Program in Diversity/Economic Development Program, CEQA Mitigation Measures, TMA Participation and Housing Program (including the marketing and reporting requirements contained in Exhibit F to the Housing Program), as well as the rights and obligations of the "Owner" contained in the Design Review and Document Approval Procedure.

2. Assumption by CLDC.

2.1 Assumption. CLDC hereby assumes all of COLP's rights under the South OPA, except for the COLP Retained OPA Rights, and hereby assumes and agrees to be bound by and perform, as a direct obligation of CLDC to the Agency, each and all of the obligations, terms, covenants and agreements of the Owner under the South OPA, except for the COLP Retained OPA Obligations.

2.2 CLDC Indemnification – Transferred OPA Obligations.

2.2.1 CLDC hereby agrees to protect, defend and indemnify COLP, COLP's parent, affiliated and subsidiary companies, and COLP's or such companies' officers, directors, shareholders, agents, employees and attorneys, and their respective successors and assigns (collectively, "COLP Affiliates") against, and to hold COLP and COLP Affiliates harmless from, any and all Losses asserted against or incurred by COLP or any COLP Affiliates in connection with or arising out of CLDC's failure to fully satisfy, perform and observe each and all of the obligations, terms, covenants and agreements of the Owner under the South OPA, excluding the COLP Retained OPA Obligations (collectively, the "Transferred OPA Obligations").

2.2.2 COLP agrees to give prompt notice to CLDC with respect to any suit or claim initiated or threatened against COLP or COLP Affiliates against which CLDC is obligated to indemnify such person or entity hereunder, and in no event later than the earlier of (a) ten (10) days after valid service of process as to any filed suit or (b) fifteen (15) days after receiving notification of the filing of such suit or the assertion of such claim which COLP has reason to believe is likely to give rise to a claim for indemnity hereunder. If prompt notice is not given to CLDC, then CLDC's liability hereunder shall terminate as to the matter for which such notice is not given, provided that failure to notify CLDC shall not affect the rights of COLP or the obligations of CLDC hereunder unless CLDC is prejudiced by such failure, and then only to the extent of such prejudice. CLDC shall, at its option but subject to the reasonable consent and approval of COLP, be entitled to control the defense, compromise or settlement of any such matter through counsel of CLDC's own choice; provided, however, that in all cases COLP shall be entitled to participate in such defense, compromise or settlement at its own expense. If CLDC shall fail, however, in COLP's reasonable judgment, within a reasonable time following notice from COLP alleging such failure, to take reasonable and appropriate action to defend, compromise or settle such suit or claim, COLP shall have the right to promptly hire counsel to carry out such defense, compromise or settlement, in which event CLDC shall (without limiting CLDC's obligations under Subparagraph 2.2.1 above) pay to COLP (within ten (10) days following receipt by CLDC of a properly detailed invoice therefor) reasonable attorneys' fees and costs relating thereto.

2.3 COLP Indemnification - COLP Retained OPA Obligations.

2.3.1 COLP hereby agrees to protect, defend and indemnify CLDC, CLDC's parent, affiliated and subsidiary companies, and CLDC's or such companies' officers, directors, shareholders, agents, employees and attorneys, and their respective successors and assigns (collectively, "CLDC Affiliates") against, and to hold CLDC and CLDC Affiliates

harmless from, any and all Losses asserted against or incurred by CLDC or any CLDC Affiliates in connection with or arising out of COLP's failure to fully satisfy, perform and observe each and all of the COLP Retained OPA Obligations.

2.3.2 CLDC agrees to give prompt notice to COLP with respect to any suit or claim initiated or threatened against CLDC or CLDC Affiliates against which COLP is obligated to indemnify such person or entity hereunder, and in no event later than the earlier of (a) ten (10) days after valid service of process as to any filed suit or (b) fifteen (15) days after receiving notification of the filing of such suit or the assertion of such claim which CLDC has reason to believe is likely to give rise to a claim for indemnity hereunder. If prompt notice is not given to COLP, then COLP's liability hereunder shall terminate as to the matter for which such notice is not given, provided that failure to notify COLP shall not affect the rights of CLDC or the obligations of COLP hereunder unless COLP is prejudiced by such failure, and then only to the extent of such prejudice. COLP shall, at its option but subject to the reasonable consent and approval of CLDC, be entitled to control the defense, compromise or settlement of any such matter through counsel of COLP's own choice; provided, however, that in all cases CLDC shall be entitled to participate in such defense, compromise or settlement at its own expense. If COLP shall fail, however, in CLDC's reasonable judgment, within a reasonable time following notice from CLDC alleging such failure, to take reasonable and appropriate action to defend, compromise or settle such suit or claim, CLDC shall have the right to promptly hire counsel to carry out such defense, compromise or settlement, in which event COLP shall (without limiting COLP's obligations under Subparagraph 2.3.1 above) pay to CLDC (within ten (10) days following receipt by COLP of a properly detailed invoice therefor) reasonable attorneys' fees and costs relating thereto.

2.4 CLDC's Acknowledgement. In accordance with the requirements of Section 1.17 of the South OPA, CLDC hereby acknowledges that it has reviewed the South OPA and, subject to the Excluded Rights and Obligations, agrees to be bound by the South OPA and all conditions and restrictions applicable to the Transferred Property, including, without limitation, all conditions and restrictions contained in the Plan Documents.

3. CLDC Indemnity of the Agency.

3.1 Except as provided in Section 15.4 of the South OPA, CLDC agrees to and shall indemnify, defend, and hold the Agency and its respective commissioners, members, officers, employees, agents, successors and assigns, harmless from and against all Losses arising from or as a result of (a) the noncompliance of CLDC's Improvements with any Federal, state or local laws or regulations, including those relating to handicap access, or (b) the death of any person or any accident, injury, loss or damage whatsoever caused to any person or to the property of any person which shall occur in or on the Transferred Property and which shall be directly or indirectly caused by the negligent act or omission of CLDC or its agents, servants, employees or contractors, except to the extent such Losses are directly or indirectly caused by the negligent act or omission or willful act of the Agency or its respective commissioners, members, officers, employees, agents, successors and assigns including the negligence or other actionable misconduct of Agency, acting (or failing to act) in its governmental capacity, in the exercise of its police powers.

3.2 In addition to the foregoing, CLDC shall defend, hold harmless and indemnify the Agency and its respective commissioners, members, officers, agents and employees of and from all Losses arising directly or indirectly out of or connected with contracts or agreements entered into by CLDC in connection with its performance of the Transferred OPA Obligations, except to the extent caused by the willful misconduct or the negligence of the Agency or arising from obligations to Agency, City or any City Agency arising under the Program in Diversity/Economic Development Program or arising from compliance with Section 19.32 of the South OPA.

4. Representations and Warranties of COLP. COLP hereby makes the following representations and warranties to the Agency as of the date of this Agreement.

4.1 The South OPA is unmodified and in full force and effect.

4.2 To the actual knowledge of COLP, no default on the part of COLP, and no breach or failure of condition that, with notice or lapse of time or both, would constitute a default on the part of COLP, exists under the South OPA regarding the Transferred Property.

4.3 COLP has obtained all consents to the assignments and transfers of the Transferred Property to CLDC which may be required by any agreement to which COLP is a party. Other than the consents so obtained, no consent to the Transfer of the Transferred Property to CLDC is required under any agreement to which COLP is a party or by which the Transferred Property is bound (other than the South OPA).

4.4 The execution, delivery, and performance by COLP of this Agreement (a) will not contravene any legal requirements applicable to COLP or the Transferred Property, (b) will not conflict with, breach or contravene any other agreement binding upon COLP or the Transferred Property, and (c) will not result in the creation or imposition of any liens on any portion of the Transferred Property (except as may be permitted under the terms of the South OPA).

5. Representations and Warranties of CLDC: CLDC hereby makes the following representations and warranties to the Agency as of the date of this Agreement:

5.1 CLDC has reviewed and is familiar with all of the terms and conditions of the South OPA. CLDC recognizes and acknowledges that the Agency makes no representation or warranty hereby, express or implied, regarding the amount, nature or extent of any obligation, liability or duty under the South OPA with regard to the Transferred Property. CLDC understands and acknowledges that (a) CLDC is responsible for satisfying itself as to the existence and extent of the Transferred OPA Obligations, (b) except as expressly provided herein or in the South OPA, the Agency has not waived any right of the Agency or obligation of COLP under the South OPA with respect to the Transferred Property, and (c) in accordance with the representations made by the Agency in Paragraph 6 below, the Agency has not agreed to any amendment of any provision of the South OPA.

5.2 CLDC has obtained all consents in connection with its assumption of the Transferred OPA Obligations and for its acquisition of the Transferred Property which may be required by any agreement to which it is a party. Other than the consents so obtained, no consent

to the acquisition of the Transferred Property is required under any agreement to which CLDC is a party.

5.3 The execution, delivery, and performance by CLDC of this Agreement and any obligation assumed pursuant hereto (a) will not contravene any legal requirements applicable to CLDC, (b) will not conflict with, breach or contravene any other agreement binding upon CLDC, and (c) will not result in the creation or imposition of any liens on any portion of the Transferred Property (except as may be permitted under the terms of the South OPA).

5.4 To the current actual knowledge of CLDC, there are no actions, suits or proceedings at law or in equity or by or before any governmental authority now pending against CLDC, or threatened against or affecting CLDC, in which there is a reasonable possibility of an adverse determination and that are reasonably likely, individually or in the aggregate, if adversely determined, to have a material adverse effect on the ability of CLDC to perform the Transferred OPA Obligations being assumed hereby.

6. Representations and Warranties of Agency: The Agency hereby makes the following representations and warranties to COLP and CLDC as of the date of this Agreement:

6.1 The South OPA is in full force and effect, and the Agency has not agreed to any amendment of any provision of the South OPA.

6.2 To the actual knowledge of the Agency, no default on the part of COLP, and no breach or failure of condition that, with notice or lapse of time or both, would constitute a default on the part of COLP, exists under the South OPA.

7. Release of COLP:

7.1 Qualifying Transfer. The Agency hereby acknowledges and agrees it has received a Net Worth Certification from CLDC in the form attached hereto as Exhibit "3", certifying that (a) CLDC has a Net Worth equal to at least Twenty-Five Million Dollars (\$25,000,000) and (b) CLDC or CLDC Affiliates have experience developing or operating major commercial or industrial or residential projects reasonably related to those contemplated under the South OPA. Therefore, in reliance on the representations made by CLDC in the Net Worth Certification, the Agency approves CLDC as the Transferee of the Transferred Property and the Transferred OPA Obligations, and in accordance with Section 14.1(c) of the South OPA, the Agency hereby agrees to release COLP from all of its obligations under the South OPA, excluding the COLP Retained OPA Obligations, as more particularly set forth in Paragraph 7.2 below.

7.2 Agency Release. The Agency hereby unconditionally and irrevocably fully releases and discharges COLP and COLP Affiliates from the obligations of Owner under the South OPA, including, without limitation, the Transferred OPA Obligations assumed by CLDC pursuant to Paragraph 2 above, but excluding the COLP Retained OPA Obligations (as defined in Paragraph 1.2 above). With respect to the foregoing release, the Agency hereby acknowledges that such release is made with the advice of counsel and with full knowledge and understanding of the consequences and effects of such release. Further, as to unknown and unsuspected claims as of the Effective Date, the Agency hereby acknowledges that such release

is made with the full knowledge, understanding and agreement that California Civil Code § 1542 provides as follows, and the Agency hereby agrees that the protection afforded by said Code Section and any similar law of any other jurisdiction is specifically waived:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

Redevelopment Agency of the City And County of San Francisco

By: Manni Rosca

8. General Provisions.

8.1 Attorneys' Fees.

8.1.1 Should any party hereto institute any action or proceeding in court or other dispute resolution mechanism (DRM) to enforce any provision hereof or for damages by reason of an alleged breach of any provision hereof, the prevailing party shall be entitled to receive from the losing party court or DRM costs or expenses incurred by the prevailing party including, without limitation, expert witness fees, document copying expenses, exhibit preparation costs, carrier expenses and postage and communication expenses, and such amount as the court or DRM may adjudge to be reasonable attorneys' fees for the services rendered the prevailing party in such action or proceeding. Attorneys' fees under this Paragraph 8.1 include attorneys' fees on any appeal, and, in addition, a party entitled to attorneys' fees shall be entitled to all other reasonable costs and expenses incurred in connection with such action.

8.1.2 For purposes of this Agreement, reasonable fees of attorneys and any in-house counsel for the Agency, COLP or CLDC shall be based on the fees regularly charged by private attorneys with an equivalent number of years of professional experience in the subject matter area of the law for which the party's in-house counsel's services were rendered who practice in the City in law firms with approximately the same number of attorneys as employed by the City, or, in the case of the COLP's or CLDC's in-house counsel, as employed by the outside counsel for COLP or CLDC.

8.2 Notices. A notice or communication under this Agreement by any party to the other shall be sufficiently given or delivered if dispatched by hand or by registered or certified mail, postage prepaid, addressed as follows:

8.2.1 in the case of a notice or communication to the Agency,

11802112

San Francisco Redevelopment Agency
770 Golden Gate Avenue
San Francisco, CA 94102-3102
Attn: Executive Director
Facsimile No.: 415/749-2525

with a copy to:

San Francisco Redevelopment Agency
770 Golden Gate Avenue
San Francisco, CA 94102-3102
Attn: Legal Division
Facsimile No.: 415/749-2575

8.2.2 in the case of a notice or communication to COLP,

Catellus Operating Limited Partnership
255 Channel Street
San Francisco, CA 94107
Attn: Anthony Blanchard
Facsimile No.: 415/355-6666

with copies to:

Catellus Operating Limited Partnership
c/o Catellus Development Corporation
201 Mission Street
San Francisco, CA 94105
Attn: General Counsel
Facsimile No.: 415/974-4613

and

Coblentz, Patch, Duffy & Bass, LLP
One Ferry Building, Suite 200
San Francisco, CA 94111
Attn: Alan C. Gennis
Facsimile No.: 415/989-1663

8.2.3 in the case of a notice or communication to CLDC,

Catellus Land and Development Corporation
255 Channel Street
San Francisco, CA 94107
Attn: Anthony Blanchard
Facsimile No.: 415/355-6666

with copies to:

Catellus Land and Development Corporation
c/o Catellus Development Corporation
201 Mission Street
San Francisco, CA 94105
Attn: General Counsel
Facsimile No.: 415/974-4613

and

Coblentz, Patch, Duffy & Bass, LLP
One Ferry Building, Suite 200
San Francisco, CA 94111
Attn: Alan C. Gennis
Facsimile No.: 415/989-1663

For the convenience of the parties, copies of notices may also be given by telefacsimile.

8.2.4 Every notice given to a party hereto, pursuant to the terms of the South OPA, must state (or must be accompanied by a cover letter that states) substantially the following:

(a) the Section of the South OPA pursuant to which the notice is given and the action or response required, if any;

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

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

(d) if approval is being requested, shall be clearly marked "Request for Approval"; and

(e) if a notice of a disapproval or an objection which requires reasonableness, shall specify with particularity the reasons therefor.

8.2.5 Any mailing address or telefacsimile number may be changed at any time by giving written notice of such change in the manner provided above at least ten (10) days prior to the effective date of the change. All notices under this Agreement shall be deemed given, received, made or communicated on the date personal receipt actually occurs or, if mailed, on the delivery date or attempted delivery date shown on the return receipt. No party may give official or binding notice by telefacsimile. 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.

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

8.4 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one instrument. It shall not be necessary in making proof of this Agreement to account for more than one counterpart.

8.5 Captions. Any captions to, or headings of, the Paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

8.6 Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

8.7 Exhibits. The Exhibits attached hereto are hereby incorporated herein by this reference for all purposes.

8.8 Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

8.9 Applicable Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California.

8.10 Fees and Other Expenses. Except as otherwise provided herein, each of the parties shall pay its own fees and expenses in connection with this Agreement.

8.11 Partial Invalidity. If any portion of this Agreement as applied to any party or to any circumstances shall be adjudged by a court to be void or unenforceable, such portion shall be deemed severed from this Agreement and shall in no way effect the validity or enforceability of the remaining portions of this Agreement.

8.12 Independent Counsel. Each party hereto acknowledges that: (a) they have been represented by independent counsel in connection with this Agreement; (b) they have executed this Agreement with the advice of such counsel; and (c) this Agreement is the result of negotiations between the parties hereto and the advice and assistance of their respective counsel. The fact that this Agreement was prepared by COLP's counsel as a matter of convenience shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against COLP or CLDC because their counsel prepared this Agreement in its final form.

[Signatures contained on next page]

11802112

IN WITNESS WHEREOF, the Agency has caused this Agreement to be duly executed on its behalf, and COLP and CLDC have signed or caused this Agreement to be signed by a duly authorized person, all as of the Effective Date.


Approved as to form:

By: _____


for James B. Morales
Agency General Counsel

REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO, a public body,
corporate and politic

By: _____


Ayisha Benham
Deputy Director, Finance and
Administration

CATELLUS OPERATING LIMITED
PARTNERSHIP, a Delaware limited partnership (as
successor by merger to Catellus Development
Corporation)

By: Catellus Development Corporation,
a Delaware corporation (formerly known as
Catellus SubCo, Inc.), its sole general partner

By: Catellus Urban Development Corporation,
a Delaware corporation, its authorized
agent

By: _____

Name: _____

Title: VP Taxation

CATELLUS LAND AND DEVELOPMENT
CORPORATION, a Delaware corporation

By: Catellus Urban Development Corporation, a
Delaware corporation, its authorized agent

By: _____

Name: _____

Title: VP Taxation

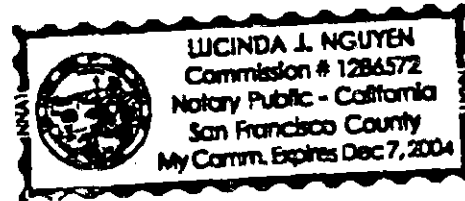
STATE OF CALIFORNIA)
) ss.
 COUNTY OF San Francisco)

On August 31, 2004, before me, the undersigned, a Notary Public in and for said State personally appeared

Ayisha Benham, personally known to me (OR - 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.

WITNESS my hand and official seal.

Lucinda Nguyen
 Signature of Notary



(Seal)

STATE OF CALIFORNIA)
) ss.
 COUNTY OF _____)

On _____, 200____, before me, the undersigned, a Notary Public in and for said State personally appeared

_____, personally known to me (OR - 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.

WITNESS my hand and official seal.

 Signature of Notary

(Seal)

H802112

STATE OF CALIFORNIA)

COUNTY OF San Francisco)

ss.

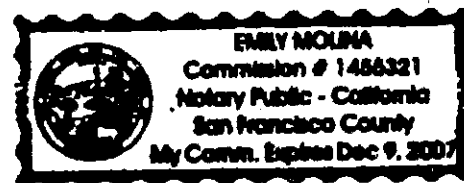
On December 29, 2003, before me, the undersigned, a Notary Public in and for said State personally appeared

David Zeiger, personally known to me (~~OR -~~
~~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.

WITNESS my hand and official seal.

Emily Molina
Signature of Notary

(Seal)



STATE OF CALIFORNIA)

COUNTY OF _____)

ss.

On _____, 200____, before me, the undersigned, a Notary Public in and for said State personally appeared

_____, personally known to me (~~OR -~~
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.

WITNESS my hand and official seal.

Signature of Notary

(Seal)

H802112

EXHIBIT "1"

LEGAL DESCRIPTION OF COLP RETAINED PROPERTY

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

MISSION BAY BLOCKS SOUTH OF SIXTEENTH STREET AND WEST OF THIRD STREET (MISSION BAY BLOCKS 36 - 40):

LOT 1 OF BLOCK 8723, LOT 1 OF BLOCK 8724, LOT 1 OF BLOCK 8727, LOT 1 OF BLOCK 8728 AND LOT 1 OF BLOCK 8729, AS SUCH LOTS AND BLOCKS ARE SHOWN ON CERTAIN MAP ENTITLED "MAP OF MISSION BAY", RECORDED JULY 19, 1999, IN BOOK Z OF MAPS, PAGES 97-199, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, AS CORRECTED BY THAT CERTAIN "CERTIFICATE OF CORRECTION" RECORDED SEPTEMBER 16, 2002, IN REEL I223, IMAGE 596, AS INSTRUMENT NUMBER 2002-H244619-00, IN THE OFFICE OF SUCH RECORDER.

ASSESSOR'S PARCEL NUMBERS: LOT 1, BLOCK 8723; LOT 1, BLOCK 8724; LOT 1, BLOCK 8727; LOT 1, BLOCK 8728; AND LOT 1, BLOCK 8729

MISSION BAY BLOCKS 33 AND 34:

PARCEL 5A:

LOT 1 OF BLOCK 8725, AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY", RECORDED JULY 19, 1999, IN BOOK Z OF MAPS, PAGES 97-199, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, AS CORRECTED BY THAT CERTAIN "CERTIFICATE OF CORRECTION" RECORDED SEPTEMBER 16, 2002, IN REEL I223, IMAGE 596, AS INSTRUMENT NUMBER 2002-H244619-00, IN THE OFFICE OF SUCH RECORDER.

EXCEPTING FROM SUCH LOT 1 THAT PORTION THEREOF DESCRIBED IN THAT CERTAIN GRANT DEED DATED OCTOBER 25, 2002, EXECUTED BY CATELLUS DEVELOPMENT CORPORATION, A DELAWARE CORPORATION, TO THE CITY AND COUNTY OF SAN FRANCISCO, A CHARTER CITY AND COUNTY, RECORDED DECEMBER 11, 2002, IN REEL I281, IMAGE 340, DOCUMENT NO. 2002-H309022-00, IN THE OFFICE OF SUCH RECORDER.

ASSESSOR'S PARCEL NUMBER: LOT 001, BLOCK 8725 (A PORTION)

PARCEL 5B:

THAT CERTAIN REAL PROPERTY DESCRIBED IN THAT CERTAIN QUITCLAIM DEED DATED NOVEMBER 5, 2002, EXECUTED BY THE CITY AND COUNTY OF SAN FRANCISCO, A CHARTER CITY AND COUNTY, TO CATELLUS DEVELOPMENT CORPORATION, A DELAWARE CORPORATION, RECORDED DECEMBER 11, 2002, IN REEL I281, IMAGE 341, DOCUMENT NO. 2002-H309023-00, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THE LOT AND BLOCK HEREINAFTER MENTIONED ARE IN ACCORDANCE WITH THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY", RECORDED JULY 19, 1999, IN BOOK Z OF MAPS, AT PAGES 97-119, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

COMMENCING AT THE MOST NORTHWESTERLY CORNER OF PARCEL 29, AS SAID PARCEL IS DESCRIBED IN THE QUITCLAIM DEED TO THE CITY AND COUNTY OF SAN FRANCISCO, RECORDED JULY 19, 1999 IN REEL H429, IMAGE 512, (DOCUMENT NUMBER 99-G622160) OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO, SAID POINT OF COMMENCEMENT ALSO BEING THE MOST NORTHWESTERLY CORNER OF BLOCK 8725, LOT 2 AS SHOWN ON SAID MAP (Z MAPS 97); THENCE, EASTERLY ALONG THE NORTHERLY BOUNDARY LINE OF SAID PARCEL 29, SAID LINE ALSO BEING THE NORTHERLY LINE OF SAID LOT 2, NORTH 86°49'04" EAST 15.00 FEET TO THE POINT OF BEGINNING; THENCE, ALONG THE EXTERIOR BOUNDARY OF SAID PARCEL 29, SAID LINES ALSO BEING THE EXTERIOR BOUNDARY OF SAID LOT 2, THE FOLLOWING TWO (2) COURSES:

1) NORTH 86°49'04" EAST, 42.21 FEET, TO THE MOST NORTHEASTERLY CORNER OF SAID PARCEL 29 AND SAID LOT 2, SAID CORNER ALSO BEING A POINT OF CUSP ON THE ARC OF A TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 44.21 FEET, TO WHICH POINT A RADIAL LINE BEARS NORTH 03°10'56" WEST,

2) WESTERLY, SOUTHWESTERLY AND SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 72°42'00", AN ARC DISTANCE OF 56.10 FEET, TO A POINT THAT BEARS SOUTH 03°10'56" EAST, FROM SAID POINT OF BEGINNING;

THENCE, LEAVING SAID EXTERIOR BOUNDARY LINE OF PARCEL 29 AND SAID LOT 2, ALONG A LINE PARALLEL WITH AND DISTANT 15.00 FEET EASTERLY, MEASURED AT A RIGHT ANGLE, FROM THE WESTERLY BOUNDARY LINE OF SAID PARCEL 29 AND SAID LOT 2, NORTH 03°10'56" WEST, 31.06 FEET, TO THE POINT OF BEGINNING.

ASSESSOR'S PARCEL NUMBER: LOT 004, BLOCK 8725

EXHIBIT "2"**LEGAL DESCRIPTION OF TRANSFERRED PROPERTY**

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

PARCEL ONE:

LOTS A, 6, 7, 9 AND 10, AS SAID LOTS ARE SHOWN ON THAT CERTAIN MAP (HEREINAFTER REFERRED TO AS THE "FINAL MAP") ENTITLED "FINAL MAP PLANNED DEVELOPMENT MISSION BAY, BEING PHASE 1 OF A SUBDIVISION OF LOT 1 OF ASSESSOR'S BLOCK 8709, AS SHOWN ON THAT CERTAIN MAP ENTITLED 'MAP OF MISSION BAY' RECORDED ON JULY 19, 1999, IN BOOK Z OF MAPS AT PAGES 97-119, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, FILED JANUARY 25, 2001 IN BOOK Z OF MAPS AT PAGES 154 TO 162, INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, AS SUCH FINAL MAP WAS CORRECTED BY THAT CERTAIN "CERTIFICATE OF CORRECTION" RECORDED APRIL 2, 2003, IN REEL 1357, IMAGE 396, SERIES NO. 2003-H398817-00, IN THE OFFICE OF SUCH RECORDER.

PARCEL TWO:

LOT 1 OF BLOCK 8710, LOT 1 OF BLOCK 8711, LOT 1 OF BLOCK 8712 AND LOT 1 OF BLOCK 8713, AS SAID LOTS AND BLOCKS ARE SHOWN ON THE "MAP OF MISSION BAY", FILED JULY 19, 1999, IN BOOK "Z" OF MAPS, PAGES 97 THROUGH 119, INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AS CORRECTED BY THAT CERTAIN "CERTIFICATE OF CORRECTION" RECORDED SEPTEMBER 16, 2002, IN REEL 1223, IMAGE 596, INSTRUMENT NO. 2002-H244619-00, IN THE OFFICE OF SAID RECORDER (SUCH MAP AS SO CORRECTED REFERRED TO HEREINAFTER AS THE "MAP OF MISSION BAY").

PARCEL THREE:

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 1 IN ASSESSOR'S BLOCK 8715, AS SAID LOT AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY" FILED JULY 19, 1999, IN BOOK Z OF MAPS, PAGE 97-119, INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, SAID POINT OF BEGINNING BEING ON THE WESTERLY LINE OF THIRD STREET; THENCE ALONG THE NORTHWESTERLY LINE OF SAID LOT

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1 AND ALONG THE NORTHWESTERLY LINE OF LOT 1, IN ASSESSOR'S BLOCK 8714, AS SAID LOT AND BLOCK ARE SHOWN ON SAID MAP, S46°18'07"W 628.10 FEET TO THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE ALONG SAID LINE OF FOURTH STREET S43°41'53"E 59.01 FEET; THENCE N86°49'04"E 325.48 FEET; THENCE N16°51'57"W 261.60 FEET; THENCE N73°08'03"E 180.70 FEET TO THE WESTERLY LINE OF THIRD STREET; THENCE ALONG SAID LINE OF THIRD STREET N3°10'56"W 155.98 FEET TO THE POINT OF BEGINNING.

ASSESSOR'S PARCEL NUMBER: LOT 002, BLOCK 8715

PARCEL FOUR:

COMMENCING AT THE MOST WESTERLY CORNER OF LOT 1, IN ASSESSOR'S BLOCK 8714, AS SAID LOT AND BLOCK ARE SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY THE MERGER AND RESUBDIVISION OF THE LANDS WITHIN THE DISTINCTIVE BORDER OF EACH PARCEL SHOWN HEREIN AND ON THE MATRIX EXHIBIT ON SHEET 22 OF 23 OF THIS MAP, CITY OF SAN FRANCISCO, SAN FRANCISCO COUNTY, CALIFORNIA" FILED JULY 19, 1999, IN BOOK Z OF MAPS AT PAGES 97-119, INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, SAID POINT OF COMMENCEMENT BEING ON THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE ALONG SAID LINE OF FOURTH STREET S43° 41' 53"E 59.01 FEET TO THE TRUE POINT OF BEGINNING; THENCE N86° 49' 04"E 325.48 FEET; THENCE N16° 51' 57"W 261.60 FEET; THENCE N73° 08' 03"E 180.70 FEET TO THE WESTERLY LINE OF THIRD STREET; THENCE ALONG SAID LINE OF THIRD STREET S03° 10' 56"E 388.93 FEET TO THE SOUTHERLY LINE OF LOT 1, IN ASSESSOR'S BLOCK 8715, AS SAID LOT AND BLOCK ARE SHOWN ON SAID MAP; THENCE ALONG SAID SOUTHERLY LINE OF LOT 1 S86° 49' 04"W 360.54 FEET TO THE NORTHEASTERLY LINE OF FOURTH STREET; THENCE ALONG SAID LINE OF FOURTH STREET N43° 41' 53"W 121.02 FEET TO THE TRUE POINT OF BEGINNING.

ASSESSOR'S PARCEL NUMBER: LOT 003, BLOCK 8715

PARCEL FIVE:

LOT 1 OF BLOCK 8716, LOT 1 OF BLOCK 8717, LOT 1 OF BLOCK 8718, LOT 1 OF BLOCK 8719 AND LOT 1 OF BLOCK 8720, AS SAID LOTS AND BLOCKS ARE SHOWN ON SUCH MAP OF MISSION BAY.

PARCEL SIX:

ALL STREETS AND STREET LINES HEREINAFTER MENTIONED ARE IN ACCORDANCE WITH THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY MAP OF MISSION BAY", RECORDED JULY 28, 1992, MAP BOOK "Y" AT PAGES 62-82 (REEL F679, IMAGE 620), IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AS AMENDED JUNE 3, 1999, MAP BOOK "Z" AT PAGES 74-94 (REEL H398, IMAGE 0829), INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, ENTITLED "AMENDED RECORD OF SURVEY (Y MAPS 62-82) OF MISSION BAY, SAN FRANCISCO, CALIFORNIA" AS AMENDED BY CERTIFICATE OF CORRECTION H570 O.R. 413.

COMMENCING AT THE INTERSECTION OF THE NORTHERLY LINE OF SIXTEENTH STREET (90.00 FEET WIDE) WITH THE EASTERLY LINE OF THIRD STREET (100.00 FEET WIDE); THENCE ALONG SAID EASTERLY LINE OF THIRD STREET NORTH $03^{\circ}10'56''$ WEST 1507.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID EASTERLY LINE NORTH $86^{\circ}49'04''$ EAST 74.00 FEET; THENCE NORTH $03^{\circ}10'56''$ WEST 116.00 FEET; THENCE SOUTH $86^{\circ}49'04''$ WEST 74.00 FEET TO THE EASTERLY LINE OF THIRD STREET; THENCE ALONG SAID EASTERLY LINE SOUTH $03^{\circ}10'56''$ EAST 116.00 FEET TO THE TRUE POINT OF BEGINNING.

ASSESSOR'S PARCEL NUMBER: LOT 011, BLOCK 8720

PARCEL SEVEN:

ALL STREETS AND STREET LINES HEREINAFTER MENTIONED ARE IN ACCORDANCE WITH THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY MAP OF MISSION BAY", RECORDED JULY 28, 1992, MAP BOOK "Y" AT PAGES 62-82 (REEL F679, IMAGE 620), IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AS AMENDED JUNE 3, 1999, MAP BOOK "Z" AT PAGES 74-94 (REEL H398, IMAGE 0829), INCLUSIVE, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, ENTITLED "AMENDED RECORD OF SURVEY (Y MAPS 62-82) OF MISSION BAY, SAN FRANCISCO, CALIFORNIA" AS AMENDED BY CERTIFICATE OF CORRECTION H570 O.R. 413.

ALL OF THE SOUTHERLY 24.25 FEET OF FORMER MERRIMAC STREET (66.00 FEET WIDE); AS SAID STREET EXISTED PRIOR TO THE VACATION OF A PORTION THEREOF BY ORDINANCE NO. 217-63 ADOPTED AUGUST 19, 1963, BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA; LYING BETWEEN THE EASTERLY LINE OF THIRD STREET (100.00 FEET WIDE) AND A LINE DRAWN PARALLEL WITH AND PERPENDICULARLY DISTANT EASTERLY 74.00 FEET FROM SAID EASTERLY LINE OF THIRD STREET.

ASSESSOR'S PARCEL NUMBER: LOT 015, BLOCK 8720

PARCEL EIGHT:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF MERRIMAC STREET WITH THE PRESENT EASTERLY LINE OF THIRD STREET, AS WIDENED; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF THIRD STREET, 30 FEET; THENCE AT A RIGHT ANGLE EASTERLY 74 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 30 FEET TO THE SOUTHERLY LINE OF MERRIMAC STREET; THENCE AT A RIGHT ANGLE WESTERLY ALONG SAID LINE OF MERRIMAC STREET, 74 FEET TO THE POINT OF BEGINNING

ASSESSOR'S PARCEL NUMBER: LOT 002, BLOCK 3841

PARCEL NINE:

LOTS A, B, C, 12, 13 AND 14, AS SHOWN ON THE MAP ENTITLED "PARCEL MAP, PLANNED DEVELOPMENT, MISSION BAY, BEING PHASE 1 OF A SUBDIVISION OF LOT 1 OF ASSESSOR'S BLOCK 8721 AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY" RECORDED JULY 19, 1999 IN BOOK Z OF MAPS AT PAGES 97-119 IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA., " RECORDED DECEMBER 7, 2000, IN BOOK 44 OF PARCEL MAPS, PAGES 151 TO 155, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA, AS CORRECTED BY "CERTIFICATE OF CORRECTION" RECORDED DECEMBER 23, 2002, REEL 1289, IMAGE 324, SERIES NO. 2002-319808-00, IN THE OFFICE OF SUCH RECORDER.

PARCEL TEN:

LOT 1 OF BLOCK 8722, AS SHOWN ON SUCH MAP OF MISSION BAY, EXCEPTING THEREFROM, HOWEVER, THE FOLLOWING:

THAT PORTION THEREOF DESCRIBED IN THAT CERTAIN GRANT DEED DATED OCTOBER 25, 2002, EXECUTED BY CATELLUS DEVELOPMENT CORPORATION, A DELAWARE CORPORATION, TO THE CITY AND COUNTY OF SAN FRANCISCO, A CHARTER CITY AND COUNTY, RECORDED DECEMBER 11, 2002, IN REEL 1281, IMAGE 340, DOCUMENT NO. 2002-H309022-00, IN THE OFFICE OF SUCH RECORDER.

PARCEL ELEVEN:

THAT CERTAIN REAL PROPERTY DESCRIBED IN THAT CERTAIN QUITCLAIM DEED DATED NOVEMBER 5, 2002, EXECUTED BY THE CITY AND COUNTY OF SAN FRANCISCO, A CHARTER CITY AND COUNTY, TO CATELLUS DEVELOPMENT CORPORATION, A DELAWARE CORPORATION, RECORDED DECEMBER 11, 2002, IN REEL 1281, IMAGE 341, DOCUMENT NO. 2002-H309023-00, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THE LOT AND BLOCK HEREINAFTER MENTIONED ARE IN ACCORDANCE WITH THAT CERTAIN MAP ENTITLED "MAP OF MISSION BAY", RECORDED JULY 19, 1999, IN BOOK Z OF MAPS, AT PAGES 97-119, IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

COMMENCING AT THE MOST SOUTHWESTERLY CORNER OF PARCEL 28, AS SAID PARCEL IS DESCRIBED IN THE QUITCLAIM DEED TO THE CITY AND COUNTY OF SAN FRANCISCO, RECORDED JULY 19, 1999 IN REEL H429, IMAGE 512, (DOCUMENT NUMBER 99-G622160) OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO, SAID POINT OF COMMENCEMENT ALSO BEING THE MOST SOUTHWESTERLY CORNER OF BLOCK 8722, LOT 2 AS SHOWN ON SAID MAP (Z MAPS 97);

THENCE, EASTERLY ALONG THE SOUTHERLY LINE OF SAID PARCEL 28, SAID LINE ALSO BEING THE SOUTHERLY LINE OF SAID LOT 2, NORTH 86°49'04" EAST 10.91 FEET TO THE POINT OF BEGINNING;

THENCE, ALONG THE EXTERIOR BOUNDARY OF SAID PARCEL 28, SAID LINES ALSO BEING THE EXTERIOR BOUNDARY OF SAID LOT 2, THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 86°49'04" EAST, 18.25 FEET,
- 2) NORTH 03°10'56" WEST 20.00 FEET, TO A POINT ON THE ARC OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 24.16 FEET, TO WHICH POINT A RADIAL LINE BEARS SOUTH 03°10'56" EAST,
- 3) WESTERLY AND NORTHWESTERLY ALONG SAID CURVE, HAVING A RADIUS OF 24.16 FEET, THROUGH A CENTRAL ANGLE OF 53°55'35", AN ARC DISTANCE OF 22.74 FEET, TO A POINT THAT BEARS NORTH 05°37'34" WEST FROM SAID POINT OF BEGINNING;

THENCE, LEAVING SAID EXTERIOR BOUNDARY OF PARCEL 28 AND SAID LOT 2, SOUTH 05°37'34" EAST, 29.96 FEET, TO THE POINT OF BEGINNING.

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ASSESSOR'S PARCEL NUMBER: LOT 008, BLOCK 8722

PARCEL TWELVE: (COMPRISED OF THE TWO FOLLOWING DESCRIBED TRACTS OF LAND DESIGNATED FOR THE PURPOSES OF THIS DESCRIPTION AS "UCSF PARCEL 3" AND "UCSF PARCEL 4")

ALL STREETS AND STREET LINES HEREINAFTER MENTIONED ARE IN ACCORDANCE WITH THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY MAP OF MISSION BAY", RECORDED JULY 28, 1992, MAP BOOK "Y" OF RECORD OF SURVEYS AT PAGES 62-82 (REEL F679, IMAGE 620), IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

UCSF PARCEL 3:

COMMENCING AT THE INTERSECTION OF THE NORTHERLY LINE OF SIXTEENTH STREET (90.00 FEET WIDE) WITH THE WESTERLY LINE OF THIRD STREET (100.00 FEET WIDE); THENCE ALONG SAID NORTHERLY LINE OF SIXTEENTH STREET SOUTH 86° 49' 04" WEST 484.00 FEET; THENCE LEAVING SAID NORTHERLY LINE NORTH 3° 10' 56" WEST 1031.25 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 86° 49' 04" WEST 230.00 FEET; THENCE SOUTH 3° 10' 56" EAST 254.81 FEET; THENCE SOUTH 46° 18' 07" WEST 107.73 FEET; THENCE SOUTH 86° 49' 04" WEST 26.85 FEET; THENCE SOUTH 46° 18' 07" WEST 79.70 FEET; THENCE SOUTH 86° 49' 04" WEST 143.88 FEET TO THE NORTHEASTERLY LINE OF SIXTH STREET (82.50 FEET WIDE); THENCE ALONG SAID NORTHEASTERLY LINE NORTH 43° 41' 53" WEST 43.18 FEET; THENCE LEAVING SAID NORTHEASTERLY LINE SOUTH 86° 49' 04" WEST 108.52 FEET TO THE SOUTHWESTERLY LINE OF SIXTH STREET; THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 43° 41' 53" WEST 203.96 FEET; THENCE LEAVING SAID SOUTHWESTERLY LINE SOUTH 46° 18' 07" WEST 298.75 FEET; THENCE NORTH 43° 41' 53" WEST 103.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 917.50 FEET; THENCE NORTHWESTERLY 591.41 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 36° 55' 55" TO THE CUSP OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 144.75 FEET, AND TO WHICH POINT OF CUSP A RADIAL LINE BEARS SOUTH 15° 59' 21" EAST; THENCE NORTHEASTERLY 155.01 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 61° 21' 25"; THENCE NORTH 86° 49' 04" EAST 165.32 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 100.38 FEET, AND TO WHICH BEGINNING A RADIAL LINE BEARS SOUTH 63° 38' 38" WEST; THENCE SOUTHEASTERLY AND EASTERLY 117.07 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 66° 49' 34"; THENCE TANGENT TO THE PRECEDING CURVE NORTH 86° 49' 04" EAST 959.75 FEET; THENCE SOUTH 3° 10' 56" EAST 275.00 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THOSE PORTIONS THEREOF WITHIN THE BOUNDARIES OF PARCEL 16 OF PART 2 OF EXHIBIT A AND PARCELS D, F, K, L, M AND O OF PARCEL 30 OF PART 2 OF EXHIBIT A TO THAT CERTAIN "JUDGMENT QUIETING TITLE" ENTERED DECEMBER 9, 1998, IN THE MATTER ENTITLED "CITY AND COUNTY OF SAN FRANCISCO V. ALL PERSONS CLAIMING ANY INTEREST OR LIEN, ETC.", CASE NO. 44492, SUPERIOR COURT OF THE STATE OF CALIFORNIA, CITY AND COUNTY OF SAN FRANCISCO, A CERTIFIED COPY OF WHICH RECORDED DECEMBER 11, 1998, IN REEL H279, IMAGE 202, SERIES NO. 98-G480682, OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

UCSF PARCEL 4:

COMMENCING AT THE INTERSECTION OF THE NORTHERLY LINE OF SIXTEENTH STREET (90.00 FEET WIDE) WITH THE WESTERLY LINE OF THIRD STREET (100.00 FEET WIDE); THENCE ALONG SAID NORTHERLY LINE OF SIXTEENTH STREET SOUTH 86° 49' 04" WEST 5.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHERLY LINE SOUTH 86° 49' 04" WEST 195.00 FEET; THENCE LEAVING SAID NORTHERLY LINE NORTH 55° 49' 04" EAST 227.49 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND PERPENDICULARLY DISTANT WESTERLY 5.00 FEET FROM THE WESTERLY LINE OF THIRD STREET; THENCE ALONG SAID LINE SO DRAWN SOUTH 3° 10' 56" EAST 117.17 FEET TO THE TRUE POINT OF BEGINNING.

ASSESSOR'S PARCEL NUMBER: LOT 011, BLOCK 8709 (A PORTION ONLY) AND LOT 007, BLOCK 8711 (A PORTION ONLY)

PARCEL THIRTEEN: (COMPRISED OF THE FOLLOWING DESCRIBED TRACTS OF LAND DESIGNATED PARCEL 1, PARCEL 2 AND PARCEL 3 FOR THE PURPOSE OF THIS DESCRIPTION)

PARCEL 1:

ALL STREETS AND STREET LINES HEREINAFTER MENTIONED ARE IN ACCORDANCE WITH THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY MAP OF MISSION BAY", RECORDED JULY 28, 1992, MAP BOOK "Y" AT PAGES 62-82 (REEL F679, IMAGE 620), IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

COMMENCING AT THE INTERSECTION OF THE NORTHERLY LINE OF SIXTEENTH STREET (90.00 FEET WIDE) WITH THE WESTERLY LINE OF THIRD STREET (100.00 FEET WIDE); THENCE ALONG SAID WESTERLY LINE OF THIRD STREET NORTH 03° 10' 56" WEST 922.00 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT BEING.

ON THE NORTHERLY LINE OF FORMER ALAMEDA STREET (66.00 FEET WIDE); THENCE CONTINUING NORTH 03° 10' 56" WEST 360.00 FEET TO THE SOUTHERLY LINE OF FORMER MERRIMAC STREET (66.00 FEET WIDE); THENCE ALONG SAID SOUTHERLY LINE SOUTH 86° 49' 04" WEST 5.00 FEET; THENCE LEAVING SAID SOUTHERLY LINE SOUTH 03° 10' 56" EAST 360.00 FEET TO THE NORTHERLY LINE OF FORMER ALAMEDA STREET; THENCE ALONG LAST SAID NORTHERLY LINE NORTH 86° 49' 04" EAST 5.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 2:

ALL STREETS AND STREET LINES HEREINAFTER MENTIONED ARE IN ACCORDANCE WITH THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY MAP OF MISSION BAY", RECORDED JULY 28, 1992, MAP BOOK "Y" AT PAGES 62-82 (REEL F679, IMAGE 620), IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

COMMENCING AT THE INTERSECTION OF THE NORTHERLY LINE OF SIXTEENTH STREET (90.00 FEET WIDE) WITH THE WESTERLY LINE OF THIRD STREET (100.00 FEET WIDE); THENCE ALONG SAID WESTERLY LINE OF THIRD STREET NORTH 03° 10' 56" WEST 456.00 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT BEING ON THE NORTHERLY LINE OF FORMER EL DORADO STREET (66.00 FEET WIDE); THENCE CONTINUING NORTH 03° 10' 56" WEST 266.91 FEET TO THE SOUTHWESTERLY LINE OF FORMER FIFTH STREET (82.50 FEET WIDE), THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 43° 41' 53" WEST 7.70 FEET TO A POINT ON A LINE DRAWN PARALLEL WITH AND PERPENDICULARLY DISTANT WESTERLY 5.00 FEET FROM THE WESTERLY LINE OF THIRD STREET; THENCE ALONG SAID LINE SO DRAWN SOUTH 03° 10' 56" EAST 272.76 FEET TO THE NORTHERLY LINE OF FORMER EL DORADO STREET; THENCE ALONG LAST SAID NORTHERLY LINE NORTH 86° 49' 04" EAST 5.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 3:

ALL STREETS AND STREET LINES HEREINAFTER MENTIONED ARE IN ACCORDANCE WITH THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY MAP OF MISSION BAY", RECORDED JULY 28, 1992, MAP BOOK "Y" AT PAGES 62-82 (REEL F679, IMAGE 620), IN THE OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

COMMENCING AT THE INTERSECTION OF THE NORTHERLY LINE OF SIXTEENTH STREET (90.00 FEET WIDE) WITH THE WESTERLY LINE OF THIRD STREET (100.00 FEET WIDE); THENCE ALONG SAID WESTERLY LINE OF THIRD STREET NORTH 03° 10' 56" WEST 390.00 FEET TO SOUTHERLY LINE OF FORMER EL DORADO STREET (66.00 FEET WIDE); THENCE ALONG SAID SOUTHERLY LINE SOUTH 86° 49' 04" WEST 5.00 FEET; THENCE LEAVING SAID SOUTHERLY LINE SOUTH 03° 10' 56" EAST 390.00 FEET TO THE NORTHERLY LINE OF SIXTEENTH STREET; THENCE ALONG

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SAID NORTHERLY LINE NORTH 86° 49' 04" EAST 5.00 FEET TO THE POINT OF BEGINNING.

ASSESSOR'S PARCEL NUMBER: LOT 007, BLOCK 8711 (PORTIONS ONLY)

ALL OF THE ABOVE DESCRIBED REAL PROPERTY IS SUBJECT TO RESERVATIONS AND/OR EXCEPTIONS OF MINERALS RIGHTS OR INTERESTS THEREFROM, IF ANY, IN FAVOR OF THIRD PARTIES NOW EVIDENCED IN OFFICE OF THE RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

THE FOLLOWING ARE ASSESSOR PARCEL NUMBERS APPLICABLE TO THE HEREINABOVE DESCRIBED LANDS:

LOTS 006, 007, 009, 010, 011 AND 013, BLOCK 8709;
LOT 001, BLOCK 8710;
LOTS 001 AND 007, BLOCK 8711;
LOT 001, BLOCK 8712;
LOT 001, BLOCK 8713;
LOTS 002 AND 003, BLOCK 8715;
LOT 001, BLOCK 8716;
LOT 001, BLOCK 8717;
LOT 001, BLOCK 8718;
LOT 001, BLOCK 8719;
LOTS 001, 011 AND 015, BLOCK 8720;
LOT 002, BLOCK 3841;
LOTS 012, 013, 014, 024, 025 AND 026, BLOCK 8721;
LOTS 001 AND 008, BLOCK 8722; AND
LOT 001, BLOCK 8726

EXHIBIT "3"

NET WORTH CERTIFICATION

Reference is made to that certain Mission Bay South Owner Participation Agreement dated as of November 16, 1998 (the "South OPA"), entered into by and between the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic of the State of California (together with any successor public agency designated by or pursuant to law, the "Agency"), and Catellus Development Corporation, a Delaware corporation, predecessor-in-interest to CATELLUS OPERATING LIMITED PARTNERSHIP, a Delaware limited partnership ("COLP"). The South OPA was recorded in the Office of the Recorder of the City and County of San Francisco on December 3, 1998, as Document No. G477258, and a Certificate of Correction thereto was recorded on January 20, 1999, as Document No. G501704. Unless otherwise defined in this Agreement, all initially capitalized defined terms used in this Agreement shall have the meanings given them in the South OPA.

Consistent with the requirements for a permitted Transfer pursuant to Section 14.1(a)(2) of the South OPA, CATELLUS LAND AND DEVELOPMENT CORPORATION, a Delaware corporation ("CLDC"), hereby certifies to the Agency the following:

CLDC or its affiliates have experience developing or operating major commercial or industrial or residential projects reasonably related to those contemplated under the South OPA, and CLDC has a Net Worth equal to at least Twenty-Five Million Dollars (\$25,000,000).

As used herein, "Net Worth" means net worth, calculated in accordance with generally accepted accounting principles, plus the difference between (a) the fair market value of any real estate owned and (b) the book value of any real estate owned less accumulated depreciation thereon.

IN WITNESS WHEREOF, this certificate is executed as of December 31, 2003.

CATELLUS LAND AND DEVELOPMENT CORPORATION,
a Delaware corporation

By: _____

Name: _____

Title: _____