

RECORDING REQUESTED BY
Redevelopment Agency of the City
Of Oakland
250 Frank H. Ogawa Plaza
Oakland. CA 94612-2034

When Recorded Mail To:
Bruce H. Wolfe, Executive Officer
California Regional Water Quality Control
Board
San Francisco Bay Region
1515 Clay Street #1400
Oakland, CA 94612

TITLE NO: 804-15680



CONTRACT NO. 2005466473
NOV 28 2005
10/28/2005 12:08 PM

OFFICIAL RECORDS OF ALAMEDA COUNTY
PATRICK O'CONNELL
RECORDING FEE: 64.00



20 PGS

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RECORDED AT THE
REQUEST OF
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COVENANT AND ENVIRONMENTAL RESTRICTION ON PROPERTY
TITLE OF DOCUMENT

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
(Govt. Code 27361.6)

Recording Requested By:

Redevelopment Agency of the City of Oakland
250 Frank H. Ogawa Plaza
Oakland, CA 94612-2034

When Recorded, Mail To:

Bruce H. Wolfe, Executive Officer
California Regional Water Quality Control Board
San Francisco Bay Region
1515 Clay Street, Suite 1400
Oakland, California 94612

Supervising Attorney for Redevelopment
City of Oakland
Office of the City Attorney
1 Frank H. Ogawa Plaza
Oakland, CA 94612

Director of Redevelopment, Economic
Development and Housing
Redevelopment Agency of the City of Oakland
250 Frank H. Ogawa Plaza
Oakland, CA 94612-2034

**COVENANT AND ENVIRONMENTAL RESTRICTION
ON PROPERTY**

**Oakland Uptown Property at
Oakland, Alameda County**

This Covenant and Environmental Restriction on Property (this "Covenant") is made as of the 24th day of OCT., 2005 by the Redevelopment Agency of the City of Oakland, a community redevelopment agency organized and existing under the California Redevelopment Law ("Covenantor") who is the Owner of record of property (approximately 6.5 acres) located between San Pablo Avenue on the west, Telegraph Avenue on the east, Thomas L. Berkley Way (formerly 20th Street) on the north, and 19th Street on the south in the City of Oakland, County of Alameda, State of California, which is more particularly described in Exhibit A attached hereto and incorporated herein by this reference ("Burdened Property"), for the benefit of the California Regional Water Quality Control Board for the San Francisco Bay Region (the "Water Board"), with reference to the following facts:

A. Presence of Hazardous Materials. Soil and groundwater in, at, and under the Burdened Property contain hazardous materials.

B. Historical Use and Contamination of the Burdened Property. The Burdened Property has historically been used for various residential and commercial uses, including, but not limited to, a garment factory, an auto repair facility, and a gasoline station. No significant manufacturing operations are known to have been present on the Burdened Property. These operations resulted in contamination of soil and groundwater with inorganic and organic chemicals. Several environmental investigations at the Burdened Property indicate impacts from total petroleum hydrocarbons as gasoline (“TPHg”) and associated benzene, toluene, ethylbenzene, and xylenes to soil, groundwater and soil gas at the southeastern portion of the Burdened Property. Residual metals (primarily lead) and total petroleum hydrocarbons as motor oil were discovered in soils at the Burdened Property at multiple locations and depths and tetrachloroethene was discovered in groundwater along the western portion of the site. Relatively low concentrations of trichloroethene were found in groundwater. These chemicals constitute hazardous materials as that term is defined in Health & Safety Code Section 25260.

C. Remedial Action Plan/Risk Management Plan: A Remedial Action Plan/Risk Management Plan (“RAP/RMP”) has been prepared for the Burdened Property, a copy of which is on file at the office of the Water Board and the Covenantor. The RAP/RMP was approved by the Water Board and is currently being implemented at the Burdened Property. Remedial actions under the RAP/RMP include, but are not limited to, excavation and off-site disposal of impacted soil prior to construction. The groundwater remediation objective is to reduce concentrations of historical contamination to below the human health risk levels identified in the RAP/RMP and remedial actions for groundwater may include source removal, extraction of chemical-affected groundwater, and soil vapor, followed by long-term monitored natural attenuation of the residual petroleum-related chemicals until the long-term cleanup levels set forth in the RAP/RMP are achieved.

C. Exposure Pathways. The contaminants addressed in this Covenant are present in soil and groundwater on the Burdened Property. Mitigation measures are being implemented pursuant to the RAP/RMP to mitigate the risk of potential exposure to these contaminants. Specifically, these controls mitigate the risk of potential exposure to contaminants that may have been possible as a result of direct contact with groundwater or from inhalation of vapors that might migrate through soil gas into buildings at the Burdened Property. The plans for redevelopment of the Burdened Property indicate that there will be no exposed contaminated soil following completion of redevelopment activities. The risk of public exposure to the contamination has been substantially lessened by the remediation and controls described herein.

D. Land Uses and Population Potentially Affected. The Burdened Property is located in the Uptown District of Oakland and will be developed for residential and commercial/retail uses, consistent with the City’s General Plan and zoning designations. The Uptown District is currently a mixed-use neighborhood characterized by ground-floor commercial businesses, apartment buildings, and parking areas. The Developer intends to lease from the Covenantor the Burdened Property for purposes of redevelopment.

E. Disclosure. Full and voluntary disclosure to the Water Board of the presence of hazardous materials on the Burdened Property has been made, and extensive sampling of the Burdened Property has been conducted.

F. Intent. Covenantor desires and intends that in order to benefit the Water Board, and to protect the present and future public health and safety, the Burdened Property shall be used in such a manner as to avoid potential harm to persons or property that may result from hazardous materials that may have been deposited on portions of the Burdened Property.

G. Risk Management. In order to assure continued protection of human health and the environment, the RAP/RMP has been prepared by Developer and Covenantor and approved by the Board. A copy of the RAP/RMP shall be maintained by the Water Board, the Covenantor, and the Developer. The Covenantor and the Developer will be required to disclose the environmental conditions on the Burdened Property and the existence of the RAP/RMP and any addenda, to potential lessees or purchasers, in writing, prior to execution of any lease or purchase and sale agreement. Under the City of Oakland Urban Land Redevelopment Program, applicants for Building Permits will be informed of and required to comply with the RAP/RMP, including any addenda. The Covenantor will ensure that construction contractors and maintenance workers during and after redevelopment comply with the applicable provisions of the RAP/RMP.

H. Environmental Fact Sheet. An Environmental Fact Sheet has been prepared for the Burdened Property and is attached hereto and incorporated herein by this reference as Exhibit B. Copies of the Fact Sheet will be available from the Covenantor and the Developer.

ARTICLE I GENERAL PROVISIONS

1.1 Provisions to Run with the Land. This Covenant sets forth protective provisions, covenants, conditions and restrictions (collectively referred to as “Restrictions”) upon and subject to which the Burdened Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. The restrictions set forth in Article III are reasonably necessary to protect present and future human health and safety or the environment as a result of the presence on the land of hazardous materials. Each and all of the Restrictions shall run with the land, and pass with each and every portion of the Burdened Property, and shall apply to, inure to the benefit of, and bind the respective successors in interest thereof, for the benefit of the Water Board and all Owners and Occupants. Each and all of the Restrictions are imposed upon the entire Burdened Property unless expressly stated as applicable to a specific portion of the Burdened Property. Each and all of the Restrictions run with the land pursuant to section 1471 of the Civil Code. Each and all of the Restrictions are enforceable by the Water Board.

1.2 Concurrence of Owners and Lessees Presumed. All purchasers, lessees, or possessors of any portion of the Burdened Property shall be deemed by their purchase, leasing, or possession of such Burdened Property, to be in accord with the foregoing and to agree for and among themselves, their heirs, successors, and assignees, and the agents, employees, and lessees of such owners, heirs, successors, and assignees, that the Restrictions as herein established must be adhered to for the benefit of the Water Board and the Owners and Occupants of the Burdened Property and that the interest of the Owners and Occupants of the Burdened Property shall be subject to the Restrictions contained herein.

1.3 Incorporation into Deeds and Leases. Covenantor desires and covenants that the Restrictions set out herein shall be incorporated by reference to each and all deeds and leases of any portion of the Burdened Property. The requirements in this Section 1.3 may be satisfied by either (a) reciting in such deed or lease the title of this instrument and the recording information concerning its recordation in the office records of the Clerk of the County of Alameda or (b) attaching a copy of this instrument to such deed or lease. Recordation of this Covenant shall be deemed binding on all successors, assigns, and lessees, regardless of whether a copy of this Covenant and Agreement has been attached to or incorporated into any given deed or lease.

1.4 Purpose. It is the purpose of this instrument to convey to the Water Board real property rights, which will run with the land, to facilitate the remediation of past environmental contamination and to protect human health and the environment by reducing the risk of exposure to residual hazardous materials.

1.5 Effect on Mortgage. Neither breach of any of the terms or conditions of this Covenant, nor enforcement action taken by the Water Board or any other governmental agency concerning such breach, shall defeat or render invalid or affect in any manner whatsoever the status or priority of the lien of any mortgage or deed of trust made for value and encumbering the Burdened Property, or encumbering any leasehold estate or any improvements on such area; provided, however, that the foregoing clause shall not relieve any lender or holder of a security interest of its obligation to comply with this Covenant if such lender or holder comes into possession of any portion of the Burdened Property, as provided under Section 1471 of the Cal. Civil Code and other applicable laws.

ARTICLE II

DEFINITIONS

2.1 Water Board. “Water Board” shall mean the California Regional Water Quality Control Board for the San Francisco Bay Region and shall include its successor agencies, if any.

2.2 Improvements. “Improvements” shall mean all buildings, roads, driveways, regradings, and paved parking areas, constructed or placed upon any portion of the Burdened Property.

2.3 Occupants. “Occupants” shall mean Owners and those persons entitled by ownership, leasehold, or other legal relationship to the exclusive right to use and/or occupy all or any portion of the Burdened Property.

2.4 Owner or Owners. “Owner” or “Owners” shall mean the Covenantor and/or its successors in interest, who hold title to all or any portion of the Burdened Property.

2.5 Developer. “Developer” shall mean FC Oakland, Inc., its assigns, and/or respective successors in interest including without limitation Uptown Housing Partners, LP.

ARTICLE III
DEVELOPMENT, USE AND CONVEYANCE OF THE BURDENED PROPERTY

3.1 Restrictions on Development and Use. Covenantor promises to restrict the use of the Burdened Property as follows:

a. Development of the Burdened Property shall be generally conducted in accordance with the conceptual plan for the Burdened Property approved by the City of Oakland on 10-18, 2005, pursuant to Ordinance No. ~~7271~~ and any subsequent amendments thereto;

(2005-0059 CMS & 79541)

b. All uses and development of the Burdened Property shall be consistent with the RAP/RMP including future amendments thereto. All uses and development shall preserve the integrity of any vapor barrier, any remedial measures taken or remedial equipment installed, and any groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the Water Board, unless otherwise expressly permitted in writing by the Water Board.

c. Groundwater at the Burdened Property shall not be used for any purpose without the express prior approval by the Board;

d. No Owners or Occupants of the Burdened Property or any portion thereof shall conduct any excavation work on the Burdened Property, unless expressly permitted in writing by the Water Board or in compliance of the RAP/RMP including future amendments thereto. Any contaminated soils brought to the surface by grading, excavation, trenching, or backfilling shall be managed by Covenantor or his agent in accordance with all applicable provisions of local, state and federal law;

e. No Owners or Occupants of the Burdened Property or any portion thereof shall drill, bore, otherwise construct, or use a well for the purpose of extracting water for any use, including but not limited to, domestic, potable, or industrial uses, unless expressly permitted in writing by the Water Board.

f. The Owner shall notify the Water Board of each of the following: (1) the type, cause, location and date of any disturbance to any remedial measures taken or remedial equipment installed, and of the groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the Water Board, which could affect the ability of such remedial measures, remedial equipment, or monitoring system to perform their respective functions; and (2) the type and date of repair of such disturbance. Notification to the Water Board shall be made by registered mail within ten (10) working days of both the discovery of such disturbance and the completion of repairs;

g. The Covenantor agrees that the Water Board, and/or any persons acting pursuant to Water Board orders, shall have reasonable access to the Burdened Property for the purposes of inspection, surveillance, maintenance, or monitoring, as provided for in Division 7 of the Water Code; and

h. No Owner or Occupant of the Burdened Property shall act in any manner that will aggravate or contribute to the existing environmental conditions of the Burdened Property.

3.2 Enforcement. Failure of an Owner or Occupant to comply with any of the restrictions, as set forth in paragraph 3.1, shall be grounds for the Water Board, by reason of this Covenant, to have the authority to require that the Owner or Occupant modify or remove any Improvements constructed in violation of that paragraph. Violation of the Covenant shall be grounds for the Water Board to file civil actions against the Owner or Occupant as provided by law.

3.3 Notice in Agreements. After the date of recordation hereof, all Owners and Occupants shall execute a written instrument, which shall accompany all purchase agreements or leases relating to the property. Any such instrument shall contain the following statement:

NOTICE IN AGREEMENTS

The soil and groundwater in, at, and under the land described herein ("Property") contains hazardous substances, as defined in Section 25316 of the California Health and Safety Code, and is subject to the requirements of a Covenant and Environmental Restriction on Property dated as of October 24th, 2005, and recorded on October 28th, 2005, in the Official Records of Alameda County, California, as Document No. 2015466473 (the "Covenant"), which Covenant and Restriction imposes certain covenants, conditions, and environmental restrictions pursuant to California Civil Code Section 1471 on the use of the Property. The provisions of the Covenant are incorporated herein and made a part hereof as if set forth in full. In conjunction with the Covenant are a Remedial Action Plan/Risk Management Plan ("RAP/RMP") and an Environmental Fact Sheet. The RAP/RMP sets forth guidelines and procedures for managing the residual soil and groundwater contamination at the Property. The Environmental Fact Sheet, which has been incorporated into the Covenant, has been prepared in order to provide an understanding of the conditions at the Property. Any entity selling or leasing any portion of the Property must provide a copy of the Environmental Fact Sheet to all prospective purchasers and lessees of such portion of the Property, prior to their committing to purchase or lease any portion of the Property. In addition, the prospective purchaser or lessee must be allowed adequate time to review the Environmental Fact Sheet, prior to committing to purchase or lease. Should any purchaser or lessee request copies of the RAP/RMP, including any addenda, or Covenant, the seller or lessor must provide copies to the purchaser or lessee in a timely manner. Copies of these documents are also available from the owner of the Property and the San Francisco Regional Water Quality Control Board. This statement is not a declaration that a hazard exists.

ARTICLE IV
VARIANCE AND TERMINATION

4.1 Variance. Any Owner or, with the Owner's consent, any Occupant of the Burdened Property or any portion thereof may apply to the Water Board for a written variance from the provisions of this Covenant. Any variance to the provisions of this Covenant must be agreed to by the Water Board before becoming effective.

4.2 Termination. Any Owner or, with the Owner's consent, any Occupant of the Burdened Property or a portion thereof may apply to the Water Board for a termination of the Restrictions as they apply to all or any portion of the Burdened Property. Termination of this Covenant must be agreed to by the Water Board before becoming effective.

4.3 Term. Unless terminated in accordance with paragraph 4.2 above, by law or otherwise, this Covenant shall continue in effect in perpetuity.

ARTICLE V
MISCELLANEOUS

5.1 No Dedication Intended. Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Burdened Property or any portion thereof to the general public.

5.2 Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective (1) when delivered, if personally delivered to the person being served or official of a government agency being served, or (2) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested:

If To: "Covenantor"
Redevelopment Agency of the City of Oakland

Attention: Director of Redevelopment
250 Frank H. Ogawa Plaza
Oakland, CA 94612-2034

And with a copy to: Office of the City Attorney
City of Oakland
Attention: Supervising Attorney for Redevelopment
1 Frank H. Ogawa Plaza
Oakland, CA 94612

If To: "Water Board"
Regional Water Quality Control Board
San Francisco Bay Region
Attention: Executive Officer
1515 Clay Street, Suite 1400
Oakland, California 94612

If To: "Developer"
Uptown Housing Partners, LP
c/o Forest City Residential West, Inc.
Attention: Susan Smartt
785 Market Street, 14th Floor
San Francisco, California 94103

5.3 Partial Invalidity. If any portion of the Restrictions or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included herein.

5.4 Article Headings. Headings at the beginning of each numbered article of this Covenant are solely for the convenience of the parties and are not a part of the Covenant.

5.5 Recordation. This instrument shall be executed by the Covenantor and by the Executive Officer of the Water Board. This instrument shall be recorded by the Covenantor in the County of Alameda within ten (10) days of the date of execution.

5.6 References. All references to Code sections include successor provisions.

5.7 Construction. Any general rule of construction to the contrary notwithstanding, this instrument shall be liberally construed in favor of the Covenant to effect the purpose of this instrument and the policy and purpose of the Water Code. If any provision of this instrument is found to be ambiguous, an interpretation consistent with the purpose of this instrument that would render the provision valid shall be favored over any interpretation that would render it invalid.

IN WITNESS WHEREOF, the parties execute this Covenant as of the date set forth above.

Covenantor: The Redevelopment Agency of the City of Oakland, California, a community redevelopment agency organized and existing under the California Redevelopment Law

By: _____
Name: Deborah A. Ederly
Title: City Administrator
Date: 10-26-05

Approved as to form and legality:

By: Dianne Miller
Name: Dianne Miller
Title: Supervising City Attorney
Date: 10-26-05

Agency: State of California
Regional Water Quality Board,
San Francisco Bay Region

By: Bruce H. Wolfe
Name: * Bruce H. Wolfe, Executive Officer
Title: Executive Officer
Date: 10/24/05

* BRUCE H. WOLFE,
Executive OFFICER

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Alameda

} ss.

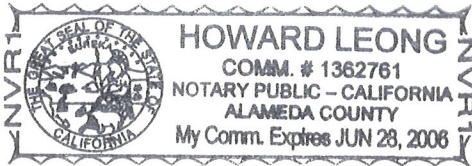
On 10/24/2005
Date

Howard Leong, Notary Public
Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared BRUCE H WOLFE
Name(s) of Signer(s)

- personally known to me
- 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.

Howard Leong
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: COVENANT & ENVIRONMENTAL RESTRICTION ON OAKLAND UPTOWN PROPERTY

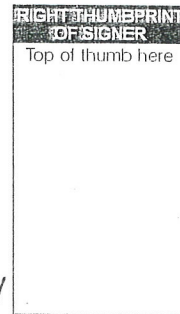
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: S.F. Bay Regional Water Quality Control Board

ILLEGIBLE NOTARY SEAL DECLARATION
(Government Code 27361.7)

I DECLARE UNDER PENALTY OF PERJURY THAT THE NOTARY SEAL ON THE DOCUMENT TO WHICH THIS STATEMENT IS ATTACHED READS AS FOLLOWS:

NAME OF NOTARY PUBLIC: HOWARD LEONG

COMMISSION NUMBER: 1362761

NOTARY PUBLIC STATE: CA.

COUNTY: ALAMEDA

COMMISSION EXPIRES: 6-28-06.



SIGNATURE OF DECLARANT: _____

PRINT NAME OF DECLARANT: CHET GRADY

CITY & STATE OF EXECUTION: SAN LEANDRO, CA

DATE SIGNED: 10/27/2005

THE ABOVE INFORMATION MUST BE LEGIBLE FOR SCANNING

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

SEE Exhibit "A"
ATTACHED Hereto
and made a PART Hereof

EXHIBIT "A"
LEGAL DESCRIPTION

289
18-21
THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF ALAMEDA, CITY OF OAKLAND, PARCELS, 1, 2, 3, 4 & 5 AS SAID PARCELS ARE SHOWN ON THE MAP ENTITLED "FINAL TRACT MAP 7616 - UPTOWN OAKLAND" FILED PRO FORMA IN BOOK 187 OF MAPS, PAGES 18-21 INCLUSIVE, OFFICIAL RECORDS OF ALAMEDA COUNTY AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1

*10-24-2005
COMMENCING AT THE INTERSECTION OF THE WESTERLY LINE OF TELEGRAPH AVENUE WITH THE SOUTHERLY LINE OF THOMAS L. BERKLEY WAY, FORMERLY KNOWN AS 20TH STREET; THENCE WESTERLY ALONG SAID LINE OF THOMAS L. BERKLEY WAY, NORTH 77° 38' WEST, 461.97 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 12° 22' WEST, 179.33 FEET TO THE NORTHERLY LINE OF WILLIAM STREET; THENCE WESTERLY ALONG SAID LINE OF WILLIAM STREET, NORTH 77° 38' WEST, 384.18 FEET TO THE EASTERLY LINE OF SAN PABLO AVENUE; THENCE NORTHWESTERLY ALONG SAID LINE OF SAN PABLO AVE NORTH 13° 13' 23" WEST, 198.84 FEET TO THE SOUTHERLY LINE OF THOMAS L. BERKELEY WAY; THENCE EASTERLY ALONG SAID LINE OF THOMAS L. BERKLEY WAY, SOUTH 77° 38' EAST, 470.07 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.76 ACRES MORE OR LESS

PARCEL 2

COMMENCING AT THE INTERSECTION OF THE WESTERLY LINE OF TELEGRAPH AVENUE WITH THE SOUTHERLY LINE OF WILLIAM STREET; THENCE WESTERLY ALONG SAID LINE OF WILLIAM STREET, NORTH 77° 38' WEST, 461.97 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 12° 22' WEST, 170.21 FEET TO THE NORTHERLY LINE OF 19TH STREET; THENCE WESTERLY ALONG SAID LINE OF 19TH STREET, NORTH 77° 38' WEST, 281.60 FEET TO THE EASTERLY LINE OF SAN PABLO AVENUE; THENCE NORTHWESTERLY ALONG SAID LINE OF SAN PABLO AVE NORTH 13° 13' 23" WEST, 188.72 FEET TO THE SOUTHERLY LINE OF WILLIAM STREET; THENCE EASTERLY ALONG SAID LINE OF WILLIAM STREET, SOUTH 77° 38' EAST, 363.11 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.26 ACRES MORE OR LESS

PARCEL 3

BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF TELEGRAPH AVENUE WITH THE SOUTHERLY LINE OF THOMAS L. BERKLEY WAY, FORMERLY KNOWN AS 20TH STREET; THENCE SOUTHERLY ALONG SAID LINE OF TELEGRAPH AVENUE SOUTH 12 DEGREES 22 MINUTES WEST, 179.33 FEET TO THE NORTHERLY LINE OF WILLIAM STREET; THENCE WESTERLY ALONG SAID LINE OF WILLIAM STREET, NORTH 77 DEGREES 38 MINUTES WEST, 411.97 FEET; THENCE NORTH 12° 22' EAST, 179.33 FEET TO THE SOUTHERLY LINE OF THOMAS L. BERKELEY WAY; THENCE EASTERLY ALONG SAID LINE OF THOMAS L. BERKLEY WAY SOUTH 77 DEGREES 38 MINUTES EAST, 411.97 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.70 ACRES MORE OR LESS

APN: _____
MMS Job No. 2263
Date: 10/21/05
Sheet 1 of 2

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McGILL MARTIN SELF, Inc.

Community Planning Design Entitlements
Infrastructure Finance Surveying

1600 South Main Street, Suite 332 Walnut Creek, CA (925) 988-9188

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 4

BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF TELEGRAPH AVENUE WITH THE SOUTHERLY LINE OF WILLIAM STREET; THENCE SOUTHERLY ALONG SAID LINE OF TELEGRAPH AVENUE SOUTH 12 DEGREES 22 MINUTES WEST, 170.21 FEET TO THE NORTHERLY LINE OF 19TH STREET; THENCE WESTERLY ALONG SAID LINE OF 19TH STREET, NORTH 77 DEGREES 38 MINUTES WEST, 265.09 FEET; THENCE NORTH 12° 22' EAST, 170.21 FEET TO THE SOUTHERLY LINE OF WILLIAM STREET; THENCE EASTERLY ALONG SAID LINE OF WILLIAM STREET SOUTH 77 DEGREES 38 MINUTES EAST, 265.09 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.04 ACRES MORE OR LESS

PARCEL 5

COMMENCING AT THE INTERSECTION OF THE WESTERLY LINE OF TELEGRAPH AVENUE WITH THE SOUTHERLY LINE OF WILLIAM STREET; THENCE WESTERLY ALONG SAID LINE OF WILLIAM STREET, NORTH 77° 38' WEST, 265.09 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 12 DEGREES 22 MINUTES WEST, 170.21 FEET TO THE NORTHERLY LINE OF 19TH STREET; THENCE WESTERLY ALONG SAID LINE OF 19TH STREET, NORTH 77 DEGREES 38 MINUTES WEST, 146.88 FEET; THENCE NORTH 12° 22' EAST, 170.21 FEET TO THE SOUTHERLY LINE OF WILLIAM STREET; THENCE EASTERLY ALONG SAID LINE OF WILLIAM STREET SOUTH 77 DEGREES 38 MINUTES EAST, 146.88 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.57 ACRES MORE OR LESS

APN: _____
MMS Job No. 2263
Date: 10/21/05
Sheet 2 of 2

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McGILL MARTIN SELF, Inc.

Community Planning Design Entitlements
Infrastructure Finance Surveying

1600 South Main Street, Suite 332 Walnut Creek, CA (925) 988-9188

EXHIBIT B

ENVIRONMENTAL FACT SHEET

3320110_v2

SEE EXHIBIT "B"
Attached Hereto
And made a part Hereof

EXHIBIT B

**ENVIRONMENTAL FACT SHEET
OAKLAND UPTOWN MIXED USE SITE
Oakland, California**

The City of Oakland Redevelopment Agency and FC Oakland, Inc. entered into an agreement for the redevelopment of the Oakland Uptown Mixed Use site (Site) and prepared a Remedial Action Plan/Risk Management Plan (RAP/RMP) to address contaminants in soil and groundwater. The San Francisco Bay Regional Water Quality Control Board (Water Board) approved the RAP/RMP and will oversee its implementation.

ENVIRONMENTAL CONTAMINANTS

The combination of historical land use information and chemical data from soil, groundwater, and soil gas samples indicated three primary environmental issues at the Site: (1) lead and motor oil-range petroleum hydrocarbons are present in soils at multiple locations and depths across the Site; (2) petroleum hydrocarbons and associated chemicals from a former service station are present in soil and groundwater at the southeastern portion of the Site; and (3) low levels of chlorinated solvents are present in groundwater, primarily in the western portion of the Site, and are likely from unidentified, off-site sources.

As further described in the RAP/RMP, studies conducted in 2004 concluded that the petroleum-affected soil and groundwater, as well as soil with lead and motor oil-range petroleum hydrocarbons at specific areas, present a potential risk to future residents if left unmitigated. In addition, the studies determined that chlorinated solvents in groundwater could present a potential risk to human health if affected groundwater were to intrude into the lower level of any future below-grade parking garages.

REMEDIAL ACTIONS AND RISK MANAGEMENT MEASURES

The RAP/RMP will be implemented during redevelopment and post redevelopment of the Site. The RAP/RMP includes the following remedial actions to reduce concentrations of lead and petroleum-related chemicals in soil and shallow groundwater to the levels approved by the Water Board: (1) removal of contaminated soils across the site for off-site disposal; and (2) remediation of chemical-affected groundwater and soil vapors. In addition, risk management measures will be implemented in accordance with the RAP/RMP to safely manage chemical-affected soil and groundwater encountered during and after construction. These include: (1) storm water pollution and dust controls; (2) safe treatment and disposal techniques for

construction-phase dewatering; (3) waterproofing of subterranean parking levels that extend into groundwater; (4) Health and Safety Plans for construction workers; and (5) long-term restrictions on groundwater use.

A Covenant and Environmental Restriction on Property (Deed Restriction) which includes a copy of this Environmental Fact Sheet has been recorded for the Property. The Deed Restriction will be used to ensure that the RAP/RMP measures designed to mitigate any potential risks associated with the environmental conditions at the Site are implemented and maintained, and requires that prospective purchasers and lessees be given adequate disclosure regarding the conditions at the Site and of the requirements of the RAP/RMP and the Deed Restriction.

FOR MORE INFORMATION

Copies of the RAP/RMP (and amendments) and Deed Restriction have been retained by the owner and lessor of the Site. You may review these documents upon request. Should you have any additional questions you may contact the lessor or owner of the Site. You may also contact: Regional Water Quality Control Board, San Francisco Bay Region, 1515 Clay Street, Oakland, California 94612, tel (510) 622-2300.

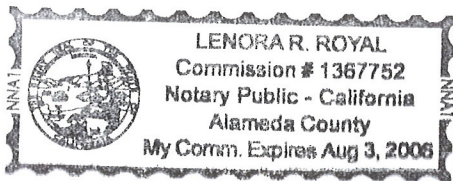
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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Alameda } ss.

On October 26, 2005 before me, LENORA R. ROYAL, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared DEBORAH A. EDGERLY,
Name(s) of Signer(s)

- personally known to me
- 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.

*REAL

WITNESS my hand and official seal.

[Signature]
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

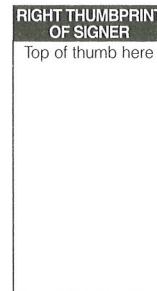
Title or Type of Document: COVENANT & ENVIRONMENTAL RESTRICTION ON PROPERTY
Document Date: October 26, 2005 Number of Pages: 17
Signer(s) Other Than Named Above: SUSAN SMARTY

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____



ILLEGIBLE NOTARY SEAL DECLARATION
(Government Code 27361.7)

I DECLARE UNDER PENALTY OF PERJURY THAT THE NOTARY SEAL ON THE DOCUMENT TO WHICH THIS STATEMENT IS ATTACHED READS AS FOLLOWS:


NAME OF NOTARY PUBLIC: Lenora R. Royal

COMMISSION NUMBER: 1367752

NOTARY PUBLIC STATE: CA

COUNTY: ALAMEDA

COMMISSION EXPIRES: 08-03-06

SIGNATURE OF DECLARANT: _____ 

PRINT NAME OF DECLARANT: CHET GRADY

CITY & STATE OF EXECUTION: SAN LEANDRO, CA

DATE SIGNED: 10/27/2005

THE ABOVE INFORMATION MUST BE LEGIBLE FOR SCANNING