Supplemental Material

For

City of Sacramento

City Council
Financing Authority
Housing Authority
Redevelopment Agency

Agenda Packet

Submitted:

For the Meeting of: January 18, 2011

☐ Additional Material

X Revised Material

TITLE: INTERMODAL SITE ACQUISITION; PURCHASE OF RAILYARDS PARCEL B AND SLIVER

Contact Information: Fran Halbakken, 808-7194

Please include this supplemental material in your agenda packet. This material will also be published to the City's Internet. For additional information, contact the City Clerk Department at Historic City Hall, 915 I Street, First Floor, Sacramento, CA 95814-2604, (916) 808-7200.

PURCHASE AND SALE AGREEMENT

Seller:	**IA Sacramento Holdings, L.L.C.** **a Delaware limited liability company**
Buyer:	**City of Sacramento,** **a municipal corporation**
Dated as of:	January 18—, 2011
Property:	Parcel B Sliver Parcel Railyards Project Sacramento, California

PURCHASE AND SALE AGREEMENT

Buyer and Seller hereby enter into this Purchase and Sale Agreement (this "**Agreement**"), intending to be legally bound hereby, as of the Effective Date. For mutual consideration, the receipt and sufficiency of which hereby are acknowledged, and the mutual promises contained in this Agreement, Buyer and Seller agree as follows:

1. **Defined Terms:** The terms listed below shall have the following meanings throughout this Agreement:

Buyer:	The City of Sacramento, a municipal corporation
Closing Date:	February 28~~———~~_, 2011, or such earlier date as may be agreed to in writing between Buyer and Seller.
Effective Date:	January ~~–~~18~~—~~, 2011 (i.e., the date both parties have executed this Agreement, and a fully executed copy has been delivered to each of Seller and Buyer).
Overall Property:	That certain real property consisting of approximately two hundred forty (240) acres located in the City of Sacramento, State of California, as more particularly described on Exhibit A attached hereto.
Parcel A:	That certain real property located in the City of Sacramento, State of California, commonly referred to as Parcel A, as more particularly described on Exhibit A to the Thomas Purchase Agreement (as defined in Section 4(a) below).
Property:	A portion of the Overall Property known as Parcel B and the Sliver Parcel, as more particularly described on Exhibit B-1 ("**Parcel B**"), Exhibit B-2 ("**Parcel B Airspace Parcel**") and Exhibit B-~~2~~3 (the "**Sliver Parcel**") respectively, attached hereto, together with all rights and interests appurtenant thereto. Seller reserves the right to verify accuracy of the attached legal descriptions before closing escrow.
Purchase Price Adjustment:	Three Million Two Hundred Thirty Five Thousand and 00/100 Dollars ($3,235,000.00).
Seller:	IA Sacramento Holdings, L.L.C., a Delaware limited liability company
Title Company/ Escrow Agent:	Stewart Title of California, Inc. 525 N. Brand Blvd. Glendale, Ca. 91203 Attention: Larry McGuire

2. **Sale and Purchase of Property**. Seller shall transfer the Property to Buyer, and Buyer shall purchase the Property from Seller, subject to all of the terms, covenants and conditions hereinafter set forth in this Agreement. The Property shall be conveyed to Buyer by a Grant Deed ("**Deed**") in the form attached hereto as Exhibit C and incorporated herein by this reference. All other interests of Seller in the Property (including any personal property) shall be transferred and assigned by Seller to Buyer pursuant to the General Instrument of Transfer ("**General Instrument**") in the form annexed hereto as Exhibit D and incorporated herein by this reference.

3. **Seller's Acquisition of the Overall Property**.

a. In connection with certain loans made by IA Sacramento Rail, L.L.C., a Delaware limited liability company ("**Lender**"), an affiliate of Seller, to S. Thomas Enterprises, LLC, a Delaware limited liability company ("**Thomas**"), as the then current owner of the Overall Property, Thomas executed and delivered to Lender certain promissory notes, secured by, among other things, the two deeds of trust in favor of Lender (the "**Deeds of Trust**") encumbering the Overall Property and recorded in the Sacramento County Official Records (the "**Official Records**"). On June 15, 2010, Lender recorded a Notice of Default and Election to Sell Under Deed of Trust with respect to the Deeds of Trust (collectively, the "**Notices of Default**").

b. On October 22, 2010, following completion of the foreclosure process initiated by Lender's recordation of the Notices of Default, Seller acquired fee title interest in the Overall Property from Thomas pursuant to that certain Trustee's Deed Upon Sale recorded on October 25, 2010 in the Official Records on Page 0218 of Book 20101025. In its capacity as a secured lender in possession of the Overall Property through foreclosure, Seller has concluded that to protect the value of its security interest in the Overall Property, it is essential that prior agreements as outlined in Section 4 below regarding the plans to transfer the Property be maintained.

4. **Thomas Purchase Agreement; Buyer's Acquisition of Parcel A; Determination of Final Purchase Price**.

a. Buyer and Thomas, as the then owner of the Overall Property and Parcel A, entered into that certain Purchase and Sale Agreement Joint Escrow Instructions, dated as of December 13, 2006 (the "**Thomas Purchase Agreement**"), pursuant to which Thomas agreed to sell Parcel A and Parcel B to Buyer, and Buyer agreed to purchase from Seller Parcel A and Parcel B.

b. Pursuant to the terms of the Thomas Purchase Agreement, Buyer acquired fee title interest in Parcel A from Thomas upon recordation of that certain Grant Deed on December ~~13~~28, 2006, in the Official Records on Page 1670~~———~~ of Book 20061228~~————~~.

c. At the close of escrow for Parcel A, Buyer delivered to Thomas an advance payment of the purchase price for Parcel A and Parcel B in the amount of Fifty Five Million and 00/100 Dollars ($55,000,000.00) (the "**Purchase Price Advance**"). Thomas and Buyer agreed that the purchase price for Parcel A and Parcel B would be determined following

the close of escrow on Parcel A in accordance with the terms of Exhibit M to the Thomas Purchase Agreement, which included determination by binding arbitration. As a condition to Buyer's payment of the Purchase Price Advance and to secure Thomas' obligation to refund the portion of the Purchase Price Advance, if any, that exceeded the amount of the final purchase price, Thomas delivered a promissory note to Buyer in the amount of Fifty Five Million and 00/100 Dollars ($55,000,000) (the "**City Note**"), which obligation was secured by that certain Deed of Trust with Assignment of Rents, dated as of December 28, 2006, in favor of Buyer and recorded in the Official Records on Page 1679 of Book 20061228 encumbering Parcel B and a portion of the Overall Property referred to as Parcel D, as more particularly described on Exhibit A attached thereto (the "**City Deed of Trust**"). Thereafter following an arbitration proceeding, the purchase price was determined to be equal to Fifty Two Million Three Hundred Fifty Thousand and 00/100 Dollars ($52,350,000.00) (the "**Final Purchase Price**") as provided in that certain Arbitration Award dated April 28, 2010.

d. At the Closing, Buyer shall execute and record in the Official Records a full reconveyance of the City Deed of Trust, whereby Buyer shall reconvey all right, title and interest in that certain real property known as Parcel D (the "**Reconveyance**").

5. **Possession and Use Agreements**.

a. Pursuant to that certain Agreement for Possession and Use, by and between Thomas and Buyer, dated as of September 3, 2009 (the "**Thomas Parcel B Possession and Use Agreement**") and that certain Agreement for Possession and Use (Sliver Addition), by and between Thomas and Buyer, dated as of November 19, 2009 (the "**Thomas Sliver Possession and Use Agreement**" and collectively with the Thomas Parcel B Possession and Use Agreement referred to herein as the "**Thomas Possession and Use Agreements**"), Thomas granted Buyer immediate possession and use of the Property, which included the right to remove and dispose of improvements located thereon in furtherance of Buyer's completion of the track relocation work contemplated by that certain Track Relocation and Finance Agreement, by and between Thomas and Buyer, dated as of December 13, 2006.

b. Pursuant to the Thomas Sliver Possession and Use Agreement, Thomas and Buyer contemplated that Buyer would acquire the Sliver Parcel on the same terms and conditions set forth in the Thomas Purchase Agreement with respect to the acquisition of Parcel A and Parcel B.

c. Seller and Buyer have entered into or intend to enter into a possession and use agreement for the Property to allow Buyer to continue to retain possession and use of the Property in accordance with the terms thereof prior to the Closing (such agreement referred to herein as the "**Possession and Use Agreement**").

6. **Payment of Purchase Price Adjustment**. In consideration of the obligations and covenants of Buyer set forth herein, including, without limitation, the release provided in Section 16 below, Seller shall pay to Buyer at Closing the Purchase Price Adjustment in the amount of Three Million Two Hundred Thirty Five Thousand and 00/100 Dollars ($3,235,000.00) by certified or cashier's check or wired funds.

7. **Independent Consideration.** Contemporaneously with the execution and delivery of this Agreement, Buyer has delivered to Seller and Seller hereby acknowledges the receipt of funds in the amount of One Hundred Dollars ($100.00) (the "**Independent Contract Consideration**"), which amount the parties bargained for and agreed to as consideration for Buyer's right to purchase the Property pursuant to this Agreement and for Seller's execution, delivery and performance of this Agreement. The Independent Contract Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is nonrefundable, and is fully earned and shall be retained by Seller notwithstanding any other provision of this Agreement.

8. **Review Materials; Feasibility Inspection**.

a. Delivery of Review Materials. In connection with Buyer's acquisition of the Property and prior to the Effective Date, Seller has made available to Buyer for its review all of the documents relating to the Property that are in the possession or control of Seller, but excluding Seller's internal memoranda, financial projections, budgets, appraisals, accounting and tax records, attorney client communications and attorney work product relating to the condition, use or operation of the Property and similar proprietary, elective or confidential information ("**Review Materials**"). Seller makes no representation or warranty as to the accuracy or completeness of any such documents made available to Buyer, and Buyer acknowledges that Buyer may not rely on such documents. In addition to the Review Materials, Buyer acknowledges that pursuant to the Thomas Purchase Agreement, Buyer previously received certain Property Documents (as such term is defined in the Thomas Purchase Agreement) relating to the Property. Buyer further agrees and acknowledges that Buyer has had possession and use of the Property prior to the Effective Date pursuant to the Thomas Possession and Use Agreement. Buyer has conducted such feasibility inspections, investigations, tests and studies as it requires to perform with respect to the Property on or prior to the Effective Date hereof and has satisfied itself as to the condition of the Property and Buyer's obligations to close on the acquisition of the Property are not dependent upon the results of any such inspections, investigations, tests and studies.

b. Natural Hazards Disclosures. As of the Closing, to the extent permitted by law, Buyer shall be deemed to have knowingly, voluntarily and intentionally waived the right to the disclosures ("**Natural Hazards Disclosures**") set forth in: (i) California Government Code Section 8589.3 (a special flood area); (ii) California Government Code Section 8589.4 (dam failure inundation area); (iii) California Government Code Section 51183.5 (earthquake fault zone); (iv) California Public Resources Code Section 2621.9 (seismic hazard zone); (v) California Public Resources Code Section 4136 (wildland fire area); and (vi) California Public Resources Code Section 2694 (high fire severity area). Buyer acknowledges and represents that it has extensive experience with the Property and the Overall Property. This waiver by Buyer includes, to the extent permitted by law, any remedies Buyer may have for Seller's nondisclosure of the Natural Hazards Disclosures.

c. Confidentiality. The Review Materials and all materials, books and records examined by or on behalf of Buyer pursuant to this Agreement shall: (i) be held in strict confidence by Buyer; (ii) not be used for any purpose other than the investigation and evaluation of the Property by Buyer and its lenders, attorneys, engineers, consultants and representatives

(collectively, "**Buyer's Agents**"); and (iii) not be disclosed, divulged or otherwise furnished to any other person or entity except to Buyer's Agents or as required by law. If this Agreement is terminated for any reason whatsoever, Buyer shall return to Seller all of the Review Materials in the possession of Buyer and Buyer's Agents. The provisions of this Section shall survive the termination of this Agreement.

9. **Contingencies**.

a. Contingencies to Purchase. Buyer's obligation to purchase the Property is subject to the satisfaction of the contingencies described below ("**Contingencies to Purchase**").

(1) Seller shall have delivered to Escrow Agent or Buyer all of the items required to be delivered to Escrow Agent or Buyer pursuant to the terms of this Agreement, including but not limited to, those required to be delivered by Seller pursuant to Section 12.

(2) Seller shall have performed and observed, in all material respects, all covenants and agreements of this Agreement to be performed and observed by Seller as of the Closing Date.

(3) At the Closing, the Escrow Agent shall have delivered to Buyer either the Title Policy (as defined in Section 10 below) or Escrow Agent's irrevocable commitment to issue the Title Policy.

b. Contingencies to Sell. Seller's obligation to sell the Property is subject to the satisfaction of the contingencies described below ("**Contingencies to Sell**").

(1) Buyer shall have delivered to Escrow Agent or Seller all of the items required to be delivered to Escrow Agent or Seller pursuant to the terms of this Agreement, including but not limited to, those provided for in Section 12.

(2) Buyer shall have performed and observed, in all material respects, all covenants and agreements of this Agreement to be performed and observed by Buyer as of the date of Closing.

10. **Title Policy**. The Title Company shall be unconditionally prepared and irrevocably committed to issue to Buyer, at Buyer's expense, a CLTA Owner's Policy of Title Insurance covering the Property, in the full amount of the Purchase Price Adjustment, insuring Buyer as the holder of fee simple title to the Property, subject to real estate taxes and not yet due and payable and all covenants, conditions, restrictions, or easements of record, excluding matters that would be disclosed by a survey of the property, any encroachments, utilities lines of any and any other matter otherwise known to Buyer (the "**Permitted Exceptions**") (collectively, the "**Title Policy**").

11. **Closing Requirements**.

a. The Closing. On the Closing Date, all matters to be performed under this Agreement incident to the sale of the Property, and the payment of the Purchase Price

Adjustment (collectively, "**Closing**") shall be performed at the offices of Escrow Agent, or other mutually acceptable location agreed to in writing by Buyer and Seller. Notwithstanding anything in this Section 11(a) to the contrary, the parties agree to use commercially reasonable efforts to pre-close the transaction contemplated hereby (*i.e.*, sign documents into escrow) on the business day immediately preceding the then-scheduled date of Closing.

b. Possession and Condition of the Property. Without limiting the generality of the foregoing, at Closing full possession of the Property is to be delivered to Buyer, subject to the Permitted Exceptions.

c. Extension to Cure. If on the Closing Date Seller shall be unable to give title, or to make conveyance, or to deliver possession, all as herein provided, Seller, shall have the right to extend Closing for a period ("**Seller's Extension Period**") of up to thirty (30) days by giving Buyer written notice of such extension.

d. Termination. If, at the expiration of the Seller's Extension Period, Seller shall have failed so to give title, make conveyance, or deliver possession, as the case may be, all as herein provided, then, subject to Buyer's rights under Section 11(e), this Agreement shall terminate, whereupon all obligations of the parties hereto shall cease without recourse to the parties hereto except as otherwise specifically set forth herein.

e. Buyer's Election. Buyer shall have the right, on the original or any extended Closing Date, to accept such title as Seller can deliver to the Property in its then condition and to accept payment of the Purchase Price Adjustment without increase, in which case Seller shall convey such title by delivering the Deed subject to the conditions contained in this Agreement.

12. **Closing Deliveries**.

a. Seller's Deliveries. Seller shall deliver or cause to be delivered to Escrow Agent or Buyer the following at or prior to the Closing:

(1) The duly executed and acknowledged Deed.

(2) The full amount of the Purchase Price Adjustment (less such amounts as are necessary to pay Buyer's share of closing costs and prorations, as hereinafter set forth) by wire transfer of immediately available funds.

(3) A certification duly executed by Seller under penalty of perjury stating that Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code of 1986, as amended, in the form annexed hereto as Exhibit E.

(4) Any corporate, partnership or other authorization documents necessary to record the Deed.

(5) Evidence as the Title Company may reasonably require as to the authority of any individuals or constituent members in Seller to execute any instruments executed and delivered by Seller at Closing.

To the extent that Buyer fails to receive the above deliveries, any of the deliveries specified in Section 12(b) below, or any Contingencies to Purchase shall fail to be fulfilled, then Buyer may, as its sole remedy, terminate this Agreement by notice to Seller, and upon such notice this Agreement shall be null and void and without recourse to the parties hereto except as otherwise specifically set forth herein.

b. Mutual Deliveries. Buyer and Seller shall deliver or cause to be delivered to Escrow Agent the following at or prior to the Closing:

(1) Executed counterparts of the General Instrument; and

(2) A closing statement reflecting the adjustments made at the Closing and described in Section 13 hereof.

c. Buyer's Deliveries. Buyer shall deliver or cause to be delivered to Escrow Agent or Seller the following at or prior to the Closing at the Closing:

(1) Deliver a Preliminary Change of Ownership Report;

(2) Deliver a duly executed and acknowledged Reconveyance;

(3) Deliver evidence as the Title Company may reasonably require as to the authority of any individuals or constituent members in Buyer to execute any instruments executed and delivered by Buyer at Closing.

13. **Closing Costs and Prorations**. At Closing, closing costs shall be paid and prorations made as follows:

a. Closing Costs. Seller shall pay the fees of any counsel representing it in connection with this transaction. Buyer shall pay: (v) the fees of any counsel representing it in connection with this transaction; (w) recording charges and costs; (x) the fee for any title exam and the title insurance premium for the Owner's title insurance policy issued at Closing to Buyer by the Title Company; (y) the escrow fee charged by the Title Company; and (z) any state, county, or local transfer taxes.

b. Prorations. The Purchase Price Adjustment shall be subject to the following prorations. All such prorations shall be made so that Buyer has the benefit of rent, if any, and bears the burden of expenses as of 12:01 a.m. on the date of Closing.

(1) Taxes. Real property taxes and general and special assessments shall be prorated through the Closing Date on the basis of the fiscal year for such taxes and assessments. If the Closing Date shall occur before the real property tax rate for such fiscal year is fixed, the apportionment of taxes shall be made on the basis of the taxes assessed for the preceding fiscal year. After the real property taxes are finally fixed for the fiscal year in which the Closing Date occurs, Seller and Buyer shall make a recalculation of the apportionment of such taxes, and Seller or Buyer, as the case may be, shall make an appropriate payment to the other based on such recalculation. To the extent Seller has undertaken to obtain any real estate tax abatement, the amount of the net

proceeds of such tax abatement shall be prorated through the Closing Date, if, as and when such proceeds are paid by the applicable governmental taxing authority.

(2) Utilities. Final readings on all gas, water and electric meters shall be made as of the Closing Date, if possible. If final readings are not possible, gas, water and electricity charges will be prorated based on the most recent period for which costs are available. Any deposits made by Seller with utility companies shall be returned to Seller by such utility companies. Buyer shall be responsible for making all arrangements for the continuation of utility services.

Notwithstanding any of the foregoing provisions:

(i) Seller shall receive the entire advantage of any discounts for the prepayment by it of any taxes, water rates or sewer rents.

(ii) The personal property, if any, included in this sale, is without further charge, except that Buyer shall be responsible to pay the amount of any and all sales or similar taxes payable in connection with the personal property and Buyer shall execute and deliver any tax returns required of it in connection therewith based on the value for such personal property determined by Seller, said obligations of Buyer to survive Closing.

The provisions of this Section 13 shall survive Closing.

14. **Default**.

a. Buyer's Default. In the event Buyer defaults in any of its obligations hereunder, or breaches any of its representations or warranties set forth herein, then the Seller may (i) terminate this Agreement by delivery of written notice to Buyer and (ii) pursue any and all rights available to Seller hereunder, at law or in equity.

b. Seller's Default. In the event that Buyer is not in default of Buyer's representations, warranties and covenants under this Agreement and is ready, willing and able to take title to the Property in accordance with this Agreement, and Seller fails to consummate this Agreement and convey title as set forth herein and deliver the Purchase Price Adjustment, Buyer shall have an action for specific performance of Seller's obligations to execute the documents required to convey the Property to Buyer and deliver the Purchase Price Adjustment to Buyer, it being understood that the remedy of specific performance shall not be available to enforce any other obligation of Seller hereunder; alternatively, Buyer may elect to terminate this Agreement. In either such case, Buyer shall have no right to an action for damages against Seller. Buyer shall be deemed to have elected to terminate this Agreement if Buyer fails to file suit for specific performance against Seller in a court having jurisdiction in the county and state in which the Property is located, on or before fifteen (15) days following the date upon which Closing was to have occurred.

c. Limitation of Seller's Liability. Buyer acknowledges and agrees that neither the officers, directors nor employees of Seller assume any personal liability for obligations entered into by or on behalf of Seller. Notwithstanding any other provision of this Agreement to the contrary, in no event shall Seller have any liability for speculative, special,

consequential, punitive, actual or any other damages, and Buyer's remedies for Seller's default shall be limited to the remedies set forth in Section 14.b above.

15. **Seller's Representations and Warranties.** Seller hereby makes the following representations and warranties to Buyer as of the Effective Date:

a. Due Authorization. Seller is duly organized, validly existing, and in good standing under the laws of the State of California, has full power and authority to enter into this Agreement, to execute and deliver the documents and instruments required of Seller herein, and to perform its obligations hereunder.

b. Requisite Action. All requisite action (corporate, partnership, trust or otherwise) has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein, and consummating the transaction contemplated by this Agreement. No additional consent of any individual, officer, director, shareholder, partner, member, manager, trustee, trustor, beneficiary, creditor, investor, judicial or administrative body, governmental authority or other party is required for Buyer to execute this Agreement and the instruments referenced herein or to consummate the transactions contemplated hereby.

c. No Conflict. The execution and delivery of, and consummation of the transactions contemplated by this Agreement is not prohibited by, and will not conflict with, constitute grounds for termination of, or result in the breach of any agreement or instrument to which Seller is now a party or otherwise subject.

d. Updating of Schedules Exhibits Representations and Warranties. Seller shall have the right to modify, update and supplement all representations, warranties, exhibits and schedules attached to or delivered in connection with this Agreement through the Closing Date to the extent required to make such representations, warranties, exhibits and schedules true, accurate and complete.

e. Limitation of Seller's Representations. All representations and warranties made by Seller in this Agreement shall not survive the Closing. All representations and warranties made by Seller in this Agreement are to the actual knowledge of Dean Stermer (the "**Designated Employee**") and shall not be construed, by imputation or otherwise, to refer to the knowledge of Seller or any affiliate of Seller, to any property manager or to any officer, agent, manager, representative or employee of Seller or any affiliate of Seller, or to impose upon such Designated Employee any duty to investigate the matter to which such actual knowledge, or the absence thereof, pertains.

16. **Buyer's Representations, Warranties and Covenants.** Buyer hereby makes the following representations, warranties and covenants to Seller as of the Effective Date:

a. Due Authorization. Buyer is duly organized, validly existing, and in good standing under the laws of the State of California, is duly qualified and in good standing under the laws of the State of California, has full power to execute, deliver and carry out the terms and provisions of this Agreement and has taken all necessary action to authorize the execution, delivery and performance of this Agreement, and the individual(s) executing this Agreement on behalf of Buyer has the authority to bind Buyer to the terms and conditions of this Agreement.

b. Requisite Action. All requisite action, including, without limitation, approval by the Sacramento City Council and all other pertinent review and approval, has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein, and consummating the transaction contemplated by this Agreement. No additional consent of any individual, officer, director, shareholder, partner, member, manager, trustee, trustor, beneficiary, creditor, investor, judicial or administrative body, governmental authority or other party is required for Buyer to execute this Agreement and the instruments referenced herein or to consummate the transactions contemplated hereby.

c. Enforceability. This Agreement and all documents required hereby to be executed by Buyer, when so executed, shall be legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights of creditors generally and, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

d. No Conflict. The execution and delivery of, and consummation of the transactions contemplated by this Agreement is not prohibited by, and will not conflict with, constitute grounds for termination of, or result in the breach of any agreement or instrument to which Buyer is now a party or otherwise subject.

e. As-Is Purchase. As a material inducement to Seller to execute this Agreement, Buyer acknowledges, represents and warrants that (i) Buyer has fully examined and inspected the Property, together with such other documents and materials with respect to the Property which Buyer deemed necessary or appropriate in connection with its investigation and examination of the Property, (ii) Buyer has accepted the foregoing and the physical condition, value, presence/absence of Hazardous Substances, financing status, use, leasing, operation, tax status, income and expenses of the Property (the "**Property Condition**"), (iii) the Property will be purchased by Buyer "AS IS" and "WHERE IS" and with all faults and, upon Closing, Buyer shall assume responsibility for the physical condition of the Property and (iv) Buyer has decided to purchase the Property solely on the basis of its own independent investigation. Other than as expressly set forth in this Agreement, Seller has not made, does not make, and has not authorized anyone else to make any representation as to the present or future physical condition, value, presence/absence of Hazardous Substances, financing status, leasing, operation, use, tax status, income and expenses or any other matter or thing pertaining to the Property, and Buyer acknowledges that no such representation or warranty has been made and that in entering into this Agreement it does not rely on any representation or warranty. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY. Seller shall not be liable for or bound by any verbal or written statements, representations, real estate broker's "setups" or information pertaining to the Property furnished by any real estate broker, agent, employee, servant or any other person unless the same are specifically set forth in this Agreement. The provisions of this Section 16(e) shall survive the Closing. If Buyer shall proceed to Closing with actual knowledge of any matter, or as to any matter set forth in the Review Materials which is in conflict with any of Seller's

representations, warranties or indemnities made in this Agreement, Buyer shall be deemed to have waived such Seller's representations, warranties or indemnities to the extent inconsistent with such actual knowledge or the contents of such Review Materials.

f. Release. Upon Closing, Buyer shall assume the risk that Property Conditions may not have been revealed by Buyer's investigations. The release and waiver of claims set forth below shall be referred to as the "**Release**." Upon the Closing, Buyer, on its own behalf and on behalf of each of its successors and assigns and each and all of its and their respective members, partners, officers, directors, employees, parents, affiliates and subsidiaries, and each of their respective successors and assigns (collectively, "**Waiver Parties**") hereby fully, forever, irrevocably and unconditionally waives and releases Seller and its respective members, partners, affiliates, parent business organizations, subsidiary business organizations, shareholders, officers, directors, beneficiaries, agents, employees, attorneys and representatives and their respective successors and assigns (collectively, "**Released Parties**") from (collectively, the "**Claims**"): (i) any and all claims, liabilities, demands, damages, counterclaims, suits, causes of action, costs and expenses (including, but not limited to, reasonable attorneys' fees and costs) of any kind and nature whatsoever, whether known or unknown, anticipated or unanticipated, and howsoever arising or accruing, that the Waiver Parties, or any of them, ever had, now have, or may have against the Property or the Released Parties, or any of them, arising or accrued prior to the Closing, including, without limitation, arising out of, or attributable to, the Thomas Purchase Agreement, a determination of the Final Purchase Price, including, without limitation, any and all interest that may be due thereon, and (ii) any and all Property Conditions, including, without limitation, any and all actual, threatened or potential claims, claims for contribution under any law relating to Hazardous Substances, suits, proceedings, actions, causes of action, demands, liabilities, losses, obligations, orders, requirements or restrictions, liens, penalties, fines, charges, debts, damages, costs, and expenses of every kind and nature, whether now known or unknown, whether foreseeable or unforeseeable, whether under any foreign, federal, state or local law (both statutory and non-statutory) or Environmental Law (as hereinafter defined), and, whether asserted or demanded by a third party against any of the Waiver Parties or incurred directly or indirectly by any of the Waiver Parties themselves, that any of the Waiver Parties may now or hereafter have against any of the Released Parties and that arise in connection with or in any way are related to (a) the physical condition of the Property, the financial condition of the Property, the value of the Property or its suitability for Buyer's use, the ownership, management or operation of the Property, or the accuracy or completeness of any information reviewed by Buyer in connection with its investigations of the Property and which may have been relied upon by Buyer in deciding to purchase the Property, (b) any handling of any Hazardous Substances at, beneath, to, from, or about the Property, (c) any compliance or non-compliance with Environmental Laws regarding any Hazardous Substances or any handling related thereto at, beneath, to, from, or about the Property, (d) any acts, omissions, services or other conduct related to any of the foregoing items "(a)" through "(d)," inclusive, and/or (e) any condition, activity, or other matter respecting the Property that is not addressed by any of the foregoing items "(a)" through "(d)," inclusive. Buyer acknowledges that any condition of the Property which Buyer discovers or desires to correct or improve prior to or after the Closing Date shall be at Buyer's sole expense. As used herein, the term "Environmental Law" shall mean all federal, state and local statutes, regulations or ordinances relating to the protection of health, safety or the environment including, without limitation, those under the federal Clear Air Act, the federal Water Pollution Control Act, the federal Resource Conservation and Recovery

Act, the federal Comprehensive Environmental Response, Compensation and Liability Act, the federal Toxic Substances Control Act, and all similar such state and local statutes, all statutes, rules and regulations applicable to wetlands of any federal, state, county or local regulatory agency, and all similar state and local laws now or hereinafter enacted or amended. Buyer shall defend, hold harmless and indemnify the Released Parties and each of them from and against all claims, suits, demands, losses, damages and expenses (including reasonable attorneys' and consultants' fees and costs) incurred as a result of actions that are inconsistent with the provisions of this Section 16(f). This Release and indemnity shall survive the close of escrow and the recording of the Deed conveying the Property from Seller to Buyer.

TO THE FULLEST EXTENT NOT PROHIBITED BY LAW, BUYER HEREBY EXPRESSLY AND SPECIFICALLY WAIVES THE BENEFITS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE ("SECTION 1542") AND ANY SUCCESSOR LAWS. SECTION 1542 PROVIDES AS FOLLOWS:

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

BUYER ACKNOWLEDGES THAT THIS WAIVER AND RELEASE IS VOLUNTARY AND WITHOUT ANY DURESS OR UNDUE INFLUENCE, AND IS GIVEN AS PART OF THE CONSIDERATION FOR THE AGREEMENTS SET FORTH HEREIN. BUYER EXPRESSLY ACKNOWLEDGES THAT IT MAY HEREAFTER DISCOVER FACTS DIFFERENT FROM OR IN ADDITION TO THOSE, WHICH IT NOW BELIEVES TO BE TRUE WITH RESPECT TO THE RELEASE OF CLAIMS. BUYER AGREES THAT THE FOREGOING RELEASE SHALL BE AND REMAIN EFFECTIVE IN ALL RESPECTS NOTWITHSTANDING SUCH DIFFERENT OR ADDITIONAL FACTS.

BUYER HAS BEEN ADVISED BY ITS LEGAL COUNSEL AND UNDERSTANDS THE SIGNIFICANCE OF THIS WAIVER OF SECTION 1542 RELATING TO UNKNOWN, UNSUSPECTED AND CONCEALED CLAIMS, AND BUYER HEREBY SPECIFICALLY ACKNOWLEDGES THAT BUYER HAS CAREFULLY REVIEWED THIS SUBSECTION AND DISCUSSED ITS IMPORT WITH LEGAL COUNSEL AND THAT THE PROVISIONS OF THIS SUBSECTION ARE A MATERIAL PART OF THIS AGREEMENT. BY ITS INITIALS BELOW, BUYER ACKNOWLEDGES THAT IT FULLY UNDERSTANDS, APPRECIATES AND ACCEPTS ALL OF THE TERMS OF THIS SUBSECTION AND RELEASE.

_____
BUYER'S INITIALS

Buyer hereby represents and warrants to Seller that is has not heretofore assigned or transferred, or purported to transfer, to any person or entity any matter to be released herein or any portion

thereof and shall indemnify, defend and hold Seller harmless from and against any and all claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

17. **Maintenance and Operation of Property After the Effective Date**. From the Effective Date until the Closing or earlier termination of this Agreement, Seller shall use reasonable efforts to operate, maintain and insure the Property consistent with the present business and operations thereof subject to Buyer's continued possession and use of the Property in accordance with the terms and provisions of the Possession and Use Agreement.

18. **Survival**. The terms, covenants and indemnities contained in this Agreement required to be operative after delivery of the Deed shall survive delivery of the Deed without limitation as to time, unless a time limitation is expressly provided, and shall not be deemed to have been merged in the Deed.

19. **Brokerage Commission**. Seller and Buyer warrant to each other that no other broker or finder can properly claim a right to a commission or finder's fee based upon contacts between the claimant and the warranting party with respect to the other party or the Property. Seller and Buyer shall indemnify, defend, protect and hold the other party harmless from and against any loss, cost or expense, including, but not limited to, reasonable attorneys' fees and court costs, resulting from any claim for a fee or commission by any broker or finder in connection with the Property and this Agreement resulting from the indemnifying parts actions. The foregoing indemnities shall survive the Closing.

20. **Successors and Assigns**. The terms, covenants and conditions herein contained shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Buyer may not assign its rights under this Agreement without first obtaining Seller's written approval, which approval may be given or withheld in Seller's sole and absolute discretion. No assignment shall release or otherwise relieve Buyer from any obligations hereunder.

21. **Entire Agreement**. This Agreement contains all of the covenants, conditions and agreements between the parties and shall supersede all prior correspondence, agreements and understandings, both verbal and written. The parties intend that this Agreement constitute the complete and exclusive statement of its terms and that no extrinsic evidence may be introduced in any proceeding involving this Agreement.

22. **Attorneys' Fees**. In the event of any litigation regarding the rights and obligations under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and court costs. Each party shall bear its own attorneys' fees in connection with the preparation of this Agreement and the consummation of the transactions contemplated hereunder.

23. **Notices**. Any notice, demand, request, consent, approval, disapproval or certificate ("**Notice**") required or desired to be given under this Agreement shall be in writing and given by certified mail, return receipt requested, by personal delivery or by Federal Express or a similar nationwide over-night delivery service providing a receipt for delivery. Notices may not be given by facsimile. The date of giving any Notice shall be deemed to be the date upon

which delivery is actually made by one of the methods described in this Section 23 (or attempted if said delivery is refused or rejected). If a Notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day. All notices, demands, requests, consents, approvals, disapprovals, or certificates shall be addressed as follows:

If intended for Buyer:	City of Sacramento Office of the City Manager City Hall 915 I Street, 5th Floor Sacramento, CA 95814-2604 Attention: John Dangberg Facsimile: (916) 808-7618 Telephone: (916) 808-5704 jdangberg@cityofsacramento.org
with a copy to:	City of Sacramento Office of the City Attorney City Hall 915 I Street, 4th Floor Sacramento, CA 95814-2604 Attention: Sheryl N. Patterson Facsimile: (916) 808-7455 Telephone: (916) 808-7292 spatterson@cityofsacramento.org
If intended for Seller:	c/o The Inland Real Estate Group 2901 Butterfield Road Oak Brook, Illinois 60523 Attention: Dean Stermer Facsimile: (630) 954-5655 Telephone: (630) 586-6463 dean.stermer@inland-investments.com
With a copy to:	c/o The Inland Real Estate Group 2901 Butterfield Road Oak Brook, Illinois 60523 Attention: Michael Podboy Facsimile: (630) 954-5655 Telephone: 630-218-8000 Podboy@inlandgroup.com

With a copy to:	c/o The Inland Real Estate Group 2901 Butterfield Road Oak Brook, Illinois 60523 Attention: Lori Foust Facsimile: (630) 954-5655 Telephone: 630-218-8000 foust@inland-investments.com
With a copy to:	c/o The Inland Real Estate Group 2901 Butterfield Road Oak Brook, Illinois 60523 Attention: Scott W. Wilton Facsimile: (630) 954-5655 Telephone: 630-218-8000 swilton@inlandgroup.com
With a copy to:	DLA Piper LLP (US) 203 North LaSalle Street, Suite 1900 Chicago, Illinois 60601 Attention: James L. Beard Facsimile: (312) 630-7379 Telephone: (312) 368-2169 james.beard@dlapiper.com
With a copy to:	DLA Piper LLP (US) 2000 University Avenue East Palo Alto, California 94303 Attention: Angela L. Castro Facsimile: (650) 687-1110 Telephone: (650) 833-2352 angela.castro@dlapiper.com
If intended for Escrow Agent:	Stewart Title of California, Inc. 525 N. Brand Blvd. Glendale, Ca. 91203 Attention: Larry McGuire Facsimile: (818) 502-2723 Telephone: (818) 241-9173 LMCGUIRE@stewart.com

Either party may change its address by giving reasonable advance written Notice of its new address in accordance with the methods described in this Section 23.

24. **WAIVER OF RIGHT TO RECORD LIS PENDENS. AS PARTIAL CONSIDERATION FOR SELLER ENTERING INTO THIS AGREEMENT, BUYER, ON BEHALF OF ITSELF AND ITS SUCCESSORS AND ASSIGNS, EXPRESSLY WAIVES**

ANY RIGHTS UNDER CALIFORNIA CODE OF CIVIL PROCEDURE, PART II, TITLE 4.5 (INCLUDING SECTIONS 405-405.39), AND AT COMMON LAW OR OTHERWISE, TO RECORD OR FILE A LIS PENDENS OR A NOTICE OF PENDENCY OF ACTION OR SIMILAR NOTICE AGAINST ALL OR ANY PORTION OF THE OVERALL PROPERTY IN CONNECTION WITH ANY ALLEGED DEFAULT BY SELLER HEREUNDER. BUYER AND SELLER HEREBY EVIDENCE THEIR SPECIFIC AGREEMENT TO THE TERMS OF THIS WAIVER BY PLACING THEIR INITIALS IN THE PLACES PROVIDED BELOW.

_____ _____

Seller Initials **Buyer Initials**

25. **Exhibits and Defined Terms**. All exhibits attached hereto are incorporated herein by reference thereto. All of the terms and definitions set forth in the Defined Terms section are incorporated in this Agreement by reference thereto.

26. **Time**. Time is of the essence of every provision herein contained. When the last day for the performance of any act permitted or required hereunder falls on any day which is not a business day in the City of Sacramento, California, such act may be performed on the next business day in said city. When an act must be performed or a notice given by the end of a specified day, such act must be performed or such notice given by 5:00 p.m. in the City of Sacramento, California.

27. **Applicable Law**. This Agreement shall be governed by the laws of the State of California.

28. **No Oral Modification or Waiver**. This Agreement may not be changed or amended orally, but only by an agreement in writing. No waiver shall be effective hereunder unless given in writing, and waiver shall not be inferred from any conduct of either party.

29. **No Recording**. Buyer agrees that it shall not record or file this Agreement or any summary of the provisions thereof. Any such recording or filing shall automatically render this Agreement null and void.

30. **Counterparts; Electronic Copy**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement is legally effective, valid, and enforceable despite the fact that it or signatures on it may be in electronic form or that it may have been created, transmitted, stored, or otherwise handled or formed, in whole or in part, by electronic means.

31. **Captions**. The captions of this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope, meaning or intent of this Agreement.

32. **Severability**. The invalidation or unenforceability in any particular circumstance of any of the provisions of this Agreement shall in no way affect any of the other provisions hereof which shall remain in full force and effect.

33. **No Joint Venture**. This Agreement shall not be construed as in any way establishing a partnership, joint venture, express or implied agency, or employer-employee relationship between Buyer and Seller.

34. **No Third Party Beneficiaries**. This Agreement is for the sole benefit of the parties hereto, their respective successors and permitted assigns, and no other person or entity shall be entitled to rely upon or receive any benefit from this Agreement or any term hereof.

35. **No Personal Liability**. No general or limited partner of Seller, no officer, director, or stockholder or member of any corporation or limited liability company which is a partner at any tier in Seller, no disclosed or undisclosed principal of Seller, and no person or entity in any way affiliated with Seller shall have any personal liability with respect to this Agreement, any instrument delivered by Seller at Closing, or the transaction contemplated hereby, nor shall the property of any such person or entity be subject to attachment, levy, execution or other judicial process.

36. **Option to Terminate**. Notwithstanding anything to the contrary set forth herein, Seller shall have the right and option to terminate this Agreement by giving written notice to the CITY on or before February 2, 2011.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Seller: IA Sacramento Holdings, L.L.C.,
a Delaware limited liability company

By: IA Sacramento Development VP, L.L.C.,
a Delaware limited liability company, its sole member

By: Inland American Real Estate Trust, Inc.,
a Maryland corporation, its sole member

By: _____
Its: _____

Buyer: City of Sacramento, a municipal corporation

By: _____
Name: John Dangberg
Title: Assistant City Manager

Approved as to Legal Form

By:_____
Senior Deputy City Attorney
Attest:

By:_____
City Clerk

EXHIBIT A

~~LAND~~LEGAL DESCRIPTION OF OVERALL PROPERTY

PARCEL 1:

ALL THAT CERTAIN REAL PROPERTY IN THE CITY AND COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND BEING A PORTION OF THAT CERTAIN 203.161 ACRE TRACT OF LAND SHOWN AND DELINEATED ON RECORD OF SURVEY FILED IN BOOK 51 OF SURVEYS AT PAGE 10 OF THE OFFICIAL RECORDS OF SACRAMENTO COUNTY AND A PORTION OF PARCEL A AS SAID PARCEL IS SHOWN AND SO DESIGNATED ON PARCEL MAP FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10 OF SAID OFFICIAL RECORDS BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE WESTERLY LINE OF 6TH STREET (80 FEET WIDE) AND THE NORTHERLY LINE OF H STREET (80 FEET WIDE);

THENCE ALONG SAID WESTERLY LINE OF 6TH STREET NORTH 18 DEGREES 26'23" EAST, 15.24 FEET;

THENCE LEAVING SAID WESTERLY LINE NORTH 44 DEGREES 14'53" EAST, 183.76 FEET TO THE POINT OF INTERSECTION OF THE EASTERLY LINE OF SAID 6TH STREET AND THE NORTHERLY LINE OF THE ALLEY (20 FEET WIDE) IN THE BLOCK BOUNDED BY G, H, 6TH AND 7TH STREETS;

THENCE ALONG THE NORTHERLY LINE OF SAID ALLEY SOUTH 71 DEGREES 37'21" EAST, 319.58 FEET TO ITS INTERSECTION WITH THE WESTERLY LINE OF 7TH STREET (80 FEET WIDE);

THENCE ALONG SAID WESTERLY LINE OF 7TH STREET NORTH 18 DEGREES 19'02" EAST, 1164.13 FEET TO A POINT THEREON LOCATED 100 FEET SOUTHERLY FROM THE NORTHERLY LINE OF THE ALLEY BETWEEN D, E, 6TH AND 7TH STREETS, SAID POINT BEING THE POINT OF BEGINNING OF THE STREET VACATION BY SACRAMENTO CITY ORDINANCE NO. 214, FOURTH SERIES;

THENCE NORTH 40 DEGREES 07'56" EAST, 34.84 FEET TO A POINT ON THE NORTHWESTERLY LINE OF THE LAND CONVEYED TO THE CITY OF SACRAMENTO BY DEED RECORDED IN BOOK 8512-31 AT PAGE 1928 OFFICIAL RECORDS OF SAID COUNTY;

THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE 72.50 FEET THROUGH A CENTRAL ANGLE OF 11 DEGREES 58'18" SAID NORTHWESTERLY LINE BEING THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 347.00 FEET TO WHICH A RADIAL LINE BEARS NORTH 63 DEGREES 01'57" WEST;

THENCE LEAVING SAID NORTHWESTERLY LINE SOUTH 79 DEGREES 25'14" WEST, 190.28 FEET;

THENCE SOUTH 49 DEGREES 52'44" WEST, 326.94 FEET;

THENCE 444.33 FEET ALONG THE ARC OF A 843.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 30 DEGREES 11'59";

THENCE SOUTH 80 DEGREES 04'43" WEST, 17.41 FEET;

THENCE SOUTH 33 DEGREES 41'42" WEST, 107.73 FEET;

THENCE SOUTH 80 DEGREES 04'43" WEST, 268.35 FEET;

THENCE SOUTH 18 DEGREES 24'47" WEST, 490.56 FEET;

THENCE SOUTH 26 DEGREES 44'53" EAST, 62.45 FEET;

THENCE SOUTH 71 DEGREES 37'38" EAST, 57.14 FEET TO THE INTERSECTION OF THE NORTHERLY LINE OF "H" STREET (80 FEET WIDE) WITH THE WESTERLY LINE OF 5TH STREET (80 FEET WIDE);

THENCE ALONG THE NORTHERLY LINE OF "H" STREET SOUTH 71 DEGREES 33'22" EAST, 405.74 FEET TO THE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE MOST SOUTHERLY LINE OF PARCEL A, AS FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10. SAID BEARING IS SHOWN ON SAID MAP AS NORTH 71 DEGREES 30'19" WEST.

THIS PARCEL IS ALSO DESCRIBED AS PARCEL 1 IN THE CERTIFICATE OF COMPLIANCE RECORDED JANUARY 31, 2007 IN BOOK 20070131, PAGE 2410, OFFICIAL RECORDS.

PARCEL 2:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND BEING A PORTION OF PARCEL A, AS SAID PARCEL IS SHOWN AND SO DESIGNATED ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN BOOK 120 OF PARCEL MAPS, AT PAGE 10, OFFICIAL RECORDS OF SACRAMENTO COUNTY, AND THOSE LANDS SHOWN ON THAT CERTAIN RECORD OF SURVEY FILED FOR RECORD IN BOOK 51 OF SURVEYS, AT PAGE 10 OF SAID OFFICIAL RECORDS, AND BEING FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY CORNER PARCEL B OF CERTIFICATE OF COMPLIANCE RECORDED DECEMBER 28, 2006, IN BOOK 20061228, PAGE 1681 OFFICIAL RECORDS OF SAID COUNTY, SAID NORTHEASTERLY CORNER BEING ON THE WESTERLY LINE OF 12TH STREET;

THENCE ALONG SAID WESTERLY LINE OF 12TH STREET NORTH 18 DEGREES 26'40" EAST A DISTANCE OF 344.37 FEET TO THE SOUTHEAST CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO STEEL MILL SUPPLY COMPANY INC. BY DEED RECORDED IN BOOK 955 AT PAGE 427 OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG THE BOUNDARY OF THE LAND SO CONVEYED, NORTH 71 DEGREES 38'25" WEST, 610.46 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, NORTH 38 DEGREES 53'55" WEST, 18.80 FEET TO THE CENTERLINE OF A STREET AND THE MOST EASTERLY CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO CENTRAL PACIFIC RAILWAY CO. BY DEED RECORDED IN BOOK 955 AT PAGE 428 OFFICIAL RECORDS OF SAID COUNTY;

THENCE CONTINUING NORTH 38 DEGREES 53'55" WEST, ALONG THE NORTHEASTERLY LINE OF THE LAND SO CONVEYED 166.40 FEET TO THE MOST NORTHERLY CORNER THEREOF, SAID CORNER IS LOCATED ON THE CENTERLINE OF 10TH STREET;

THENCE NORTH 18 DEGREES 22'57" EAST, 37.18 FEET ALONG SAID CENTERLINE OF 10TH STREET TO A POINT BEING THE SOUTHEAST CORNER OF PARCEL NO. 2 OF THOSE CERTAIN PARCELS OF LAND CONVEYED TO THE RANSOM COMPANY BY DEEDS RECORDED IN BOOK 991 AT PAGE 486 AND 487 OFFICIAL RECORDS OF SAID COUNTY;

THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, ALONG THE ARC OF A NON TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 372.24 FEET, THE CHORD SUBTENDED BY SAID ARC BEARS NORTH 51 DEGREES 22'21" WEST, 54.17 FEET; THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, NORTH 47 DEGREES 12'00" WEST, TANGENT TO SAID CURVE 20.41 FEET;

THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 371.79 FEET, THE CHORD SUBTENDED BY SAID ARC BEARS NORTH 43 DEGREES 54'37" WEST, 42.67 FEET;

THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, NORTH 40 DEGREES 37'14" WEST, TANGENT TO SAID CURVE, 14.72 FEET;

THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, NORTH 39 DEGREES 01'43" WEST, 10.00 FEET;

THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, NORTH 37 DEGREES 25'11" WEST, 14.72 FEET;

THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 371.79 FEET, THE CHORD SUBTENDED BY SAID ARC BEARS NORTH 34 DEGREES 07'48" WEST, 42.67 FEET;

THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, NORTH 30 DEGREES 50'25" WEST, TANGENT TO SAID CURVE, 55.84 FEET;

THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 296.57 FEET, THE CHORD SUBTENDED BY SAID ARC BEARS NORTH 34 DEGREES 55'23" WEST, 42.23 FEET;

THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, NORTH 39 DEGREES 00'21" WEST, TANGENT TO SAID CURVE, 61.00 FEET;

THENCE CONTINUING NORTHWESTERLY ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 296.57 FEET, THE CHORD SUBTENDED BY SAID ARC BEARS NORTH 46 DEGREES 47'12" WEST, 80.30 FEET;

THENCE CONTINUING ALONG THE SOUTHWESTERLY BOUNDARY OF THE PARCELS OF LAND SO CONVEYED, NORTH 47 DEGREES 21'51" WEST, 75.74 FEET TO THE INTERSECTION OF THE WESTERLY LINE OF 9TH STREET AND THE SOUTHERLY LINE OF NORTH B STREET (80 FEET WIDE);

THENCE NORTH 56 DEGREES 43'1 0" WEST, 155.24 FEET TO A POINT ON THE CENTERLINE OF SAID NORTH B STREET;

THENCE NORTH 71 DEGREES 39'03" WEST, 1060.32 FEET ALONG SAID CENTERLINE OF NORTH B STREET; THENCE LEAVING SAID CENTERLINE NORTH 18 DEGREES 15'57" EAST, 40.00 FEET TO THE NORTHERLY LINE OF SAID NORTH B STREET;

THENCE NORTH 71 DEGREES 39'03" WEST, 470.45 FEET ALONG SAID NORTHERLY LINE OF NORTH B STREET, AND THE NORTHERLY LINE OF THAT CERTAIN GRANT OF EASEMENT TO THE CITY OF SACRAMENTO RECORDED IN BOOK 655 OF DEEDS AT PAGE 476, TO THE NORTHWESTERLY LINE OF SAID EASEMENT;

THENCE SOUTH 21 DEGREES 10'36" WEST, ALONG SAID NORTHWESTERLY LINE, 96.89 FEET TO THE NORTHERLY LINE OF THE LAND CONVEYED TO THE CENTRAL PACIFIC RAILROAD COMPANY BY DEED RECORDED IN BOOK 143 OF DEEDS AT PAGE 79;

THENCE SOUTH 83 DEGREES 22'17" WEST, ALONG THE NORTHERLY LINE OF THE LAND SO CONVEYED, 808.60 FEET TO THE MOST EASTERLY CORNER OF THAT CERTAIN TRIANGULAR STRIP OF LAND CONVEYED TO THE CENTRAL PACIFIC RAILWAY COMPANY AS PARCEL NO. 2 BY DEED RECORDED IN BOOK 655 OF DEEDS AT PAGE 489;

THENCE ALONG THE BOUNDARY OF SAID PARCEL NO. 2, SOUTH 89 DEGREES 35'01" WEST, 488.40 FEET;

THENCE SOUTH 00 DEGREES 24'59" EAST, 347.74 FEET CONTINUING ALONG THE BOUNDARY OF SAID PARCEL NO. 2 AND THE BOUNDARY OF THE LAND CONVEYED TO THE CITY OF SACRAMENTO BY DEED RECORDED IN BOOK 655 OF DEEDS AT PAGE 478;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTH 72 DEGREES 22'30" WEST, 192.56 FEET TO THE SOUTHWEST CORNER THEREOF, SAID POINT ALSO BEING SITUATE ON THE NORTHERLY LINE OF THE LAND CONVEYED TO THE CENTRAL PACIFIC RAILWAY COMPANY BY DEED RECORDED IN BOOK 372 AT PAGE 71; THENCE ALONG SAID BOUNDARY, SOUTH 83 DEGREES 14'45" WEST, 849.81 FEET TO THE EASTERLY LINE OF THE LAND CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED IN BOOK 6907.23 AT PAGE 62 OFFICIAL RECORDS OF SAID COUNTY;

THENCE ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTH 02 DEGREES 54'31" WEST, 106.95 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTH 04 DEGREES 20'18" EAST, 258.98 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTHWESTERLY ALONG THE ARC OF A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 200.00 FEET, THE CHORD SUBTENDED BY SAID ARC BEARS SOUTH 21 DEGREES 09'08" WEST, 172.14 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTH 83 DEGREES 57'15" WEST, 225.06 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTHERLY ALONG THE ARC OF A NON TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 980.00 FEET, THE CHORD SUBTENDED BY SAID ARC BEARS SOUTH 17 DEGREES 04'57" EAST, 41.08 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTH 18 DEGREES 17'00" EAST, TANGENT TO SAID CURVE, 127.28 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTHERLY ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 520.00 FEET, THE CHORD SUBTENDED BY SAID ARC BEARS SOUTH 08 DEGREES 28'21"EAST 177.21 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, NORTH 88 DEGREES 39'43" WEST, RADIAL TO SAID CURVE 34.33 FEET TO AN ANGLE POINT IN THE BOUNDARY OF THE LAND CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED IN BOOK 8003-26 AT PAGE 478 OFFICIAL RECORDS OF SAID COUNTY;

THENCE ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTH 01 DEGREE 25'08" WEST, 204.49 FEET;

THENCE ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTH 01 DEGREE 20'08" WEST 567.62 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTH 22 DEGREES 17'45" WEST, 242.66 FEET;

THENCE CONTINUING ALONG THE BOUNDARY OF THE LAND SO CONVEYED, SOUTH 13 DEGREES 05'1 8" WEST, 58.10 FEET TO A LINE PARALLEL WITH AND DISTANT 25 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SOUTHERN PACIFIC TRANSPORTATION COMPANY'S WESTWARD MAIN TRACK (SACRAMENTO TO OAKLAND) ALSO BEING A POINT ON THE NORTHERLY BOUNDARY LINE OF SAID CERTIFICATE OF COMPLIANCE RECORDED DECEMBER 28, 2006;

THENCE ALONG SAID NORTHERLY BOUNDARY LINE OF SAID CERTIFICATE OF COMPLIANCE SOUTH 71 DEGREES 34'07" EAST, 71.56 FEET;

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE 439.27 FEET ALONG THE ARC OF A 750.00 FOOT RADIUS TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 33 DEGREES 33'28";

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE NORTH 74 DEGREES 52'25" EAST, 583.72 FEET;

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE 136.27 FEET ALONG THE ARC OF A 1500.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 05 DEGREES 12'18";

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE NORTH 80 DEGREES 04'43" EAST, 1035.82 FEET;

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE 337.93 FEET ALONG THE ARC OF AN 825.00 FOOT RADIUS TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 23 DEGREES 28'09";

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE NORTH 56 DEGREES 36'34" EAST, 416.15 FEET;

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE 192.85 FEET ALONG THE ARC OF A 500.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 22 DEGREES 05'55";

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE NORTH 78 DEGREES 42'29" EAST, 1371.35 FEET;

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE 711.37 FEET ALONG THE ARC OF A 1370.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 29 DEGREES 45'03";

THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY LINE SOUTH 71 DEGREES 32'29" EAST, 93.07 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM:

PARCEL D OF CERTIFICATE OF COMPLIANCE RECORDED DECEMBER 28, 2006 IN BOOK 20061228, PAGE 1682 OFFICIAL RECORDS OF SACRAMENTO COUNTY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST EASTERLY CORNER OF THAT CERTAIN TRIANGULAR STRIP OF LAND CONVEYED TO THE CENTRAL PACIFIC RAILWAY COMPANY AS PARCEL NO. 2 BY DEED RECORDED IN BOOK 655 OF DEEDS AT PAGE 489;

THENCE ALONG THE BOUNDARY OF SAID PARCEL NO. 2, SOUTH 89 DEGREES 35'01" WEST, 488.40 FEET;

THENCE CONTINUING ALONG SAID BOUNDARY SOUTH 00 DEGREES 24'59" EAST, 347.74 FEET;

THENCE LEAVING SAID BOUNDARY SOUTH 15 DEGREES 38'36" WEST, 165.98 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 09 DEGREES 58'14" EAST, 581.56 FEET;

THENCE NORTH 79 DEGREES 55'50" EAST, 288.50 FEET;

THENCE NORTH 82 DEGREES 07'51" EAST, 150.00 FEET; THENCE NORTH 80 DEGREES 01'46" EAST, 286.61 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 1263.14 FEET TO WHICH A RADIAL BEARS SOUTH 84 DEGREES 10'24" WEST;

THENCE NORTHERLY 498.86 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 22 DEGREES 37'42" TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 375.26 FEET TO WHICH A RADIAL BEARS NORTH 02 DEGREES 21'08" EAST;

THENCE SOUTHWESTERLY 162.38 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24 DEGREES 47'34" TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 526.33 FEET TO WHICH A RADIAL BEARS SOUTH 22 DEGREES 26'26" EAST;

THENCE WESTERLY 153.99 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 16 DEGREES 45'48";

THENCE SOUTH 84 DEGREES 19'22" WEST, 232.96 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTH HAVING A RADIUS OF 637.00 FEET;

THENCE WESTERLY 275. 31 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24 DEGREES 45'46" TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 565.52 FEET TO WHICH A RADIAL BEARS NORTH 19 DEGREES 05'08" EAST;

THENCE NORTHWESTERLY 54.63 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 05 DEGREES 32'05" TO THE TRUE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE MOST SOUTHERLY LINE OF PARCEL A, AS FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10. SAID BEARING IS SHOWN ON SAID MAP AS NORTH 71 DEGREES 30' 19" WEST.

THIS PARCEL IS ALSO DESCRIBED AS PARCEL 2 IN THE CERTIFICATE OF COMPLIANCE RECORDED JANUARY 31, 2007 IN BOOK 20070131, PAGE 2410, OFFICIAL RECORDS.

PARCEL 3:

ALL THAT CERTAIN REAL PROPERTY IN THE CITY AND COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND BEING A PORTION OF THAT CERTAIN 203.161 ACRE TRACT OF LAND SHOWN AND DELINEATED ON RECORD OF SURVEY FILED IN BOOK 51 OF SURVEYS AT PAGE 10 OF THE OFFICIAL RECORDS OF SACRAMENTO COUNTY AND A PORTION OF PARCEL A AS SAID PARCEL IS SHOWN AND SO DESIGNATED ON PARCEL MAP FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10 OF OFFICIAL RECORDS BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST EASTERLY CORNER OF THAT CERTAIN TRIANGULAR STRIP OF LAND CONVEYED TO THE CENTRAL PACIFIC RAILWAY COMPANY AS PARCEL NO. 2 BY DEED RECORDED IN BOOK 655 OF DEEDS AT PAGE 489;

THENCE ALONG THE BOUNDARY OF SAID PARCEL NO. 2, SOUTH 89 DEGREES 35'01" WEST, 488.40 FEET;

THENCE CONTINUING ALONG SAID BOUNDARY SOUTH 00 DEGREES 24'59" EAST, 347.74 FEET;

THENCE LEAVING SAID BOUNDARY SOUTH 15 DEGREES 38'36" WEST 165.98 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 09 DEGREES 58'14" EAST, 581.56 FEET;

THENCE NORTH 79 DEGREES 55'50" EAST, 288.50 FEET;

THENCE NORTH 82 DEGREES 07'51" EAST, 150.00 FEET;

THENCE NORTH 80 DEGREES 01'46" EAST, 286.61 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE EAST HAVING A RADIUS OF 1263.14 FEET TO WHICH A RADIAL BEARS SOUTH 84 DEGREES 10'24" WEST;

THENCE NORTHERLY 498.86 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 22 DEGREES 37'42" TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 375.26 FEET TO WHICH A RADIAL BEARS NORTH 02 DEGREES 21'08" EAST;

THENCE SOUTHWESTERLY 162.38 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24 DEGREES 47'34" TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 526.33 FEET TO WHICH A RADIAL BEARS SOUTH 22 DEGREES 26'26" EAST;

THENCE EASTERLY 153.99 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 16 DEGREES 45'48";

THENCE SOUTH 84 DEGREES 19'22" WEST, 232.96 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTH HAVING A RADIUS OF 637.00 FEET;

THENCE WESTERLY 275.31 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24 DEGREES 45'46" TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 565.52 FEET TO WHICH A RADIAL BEARS NORTH 19 DEGREES 05'08" EAST;

THENCE NORTHWESTERLY 54.63 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 05 DEGREES 32'05" TO THE TRUE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE MOST SOUTHERLY LINE OF PARCEL A, AS FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10, SAID BEARING IS SHOWN ON SAID MAP AS NORTH 71 DEGREES 30'19" WEST.

THIS PARCEL IS ALSO DESCRIBED AS PARCEL D IN THE CERTIFICATE OF COMPLIANCE RECORDED DECEMBER 28, 2006 IN BOOK 20061228, PAGE 1682, OFFICIAL RECORDS.

PARCEL 4:

ALL THAT CERTAIN REAL PROPERTY IN THE CITY AND COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND BEING A PORTION OF THAT CERTAIN 203.161 ACRE TRACT OF LAND SHOWN AND DELINEATED ON RECORD OF SURVEY FILED IN BOOK 51 OF SURVEYS AT PAGE 10 OF THE OFFICIAL RECORDS OF SACRAMENTO COUNTY AND A PORTION OF PARCEL A AS SAID PARCEL IS SHOWN AND SO DESIGNATED ON PARCEL MAP FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10 OF SAID OFFICIAL RECORDS BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID 203.161 ACRE TRACT OF LAND AS SHOWN ON SAID RECORD OF SURVEY, SAID POINT BEARS SOUTH 71 DEGREES 34'07" EAST, 169.51 FEET FROM THE SOUTHWESTERLY CORNER OF SAID TRACT;

THENCE ALONG SAID SOUTHERLY LINE NORTH 71 DEGREES 34'07" WEST, 169.51 FEET TO SAID SOUTHWESTERLY CORNER;

THENCE ALONG THE WESTERLY LINE OF SAID TRACT OF LAND, NORTH 14 DEGREES 06'26" EAST, 37.80 FEET;

THENCE CONTINUING ALONG SAID WESTERLY LINE, NORTH 07 DEGREES 07' 30" EAST, 25.91 FEET;

THENCE CONTINUING ALONG SAID WESTERLY LINE AND ITS EASTERLY PROLONGATION SOUTH 71 DEGREES 34'07" EAST, 114.85 FEET;

THENCE LEAVING SAID EASTERLY PROLONGATION 439.27 FEET ALONG THE ARC OF A 750.00 FOOT RADIUS TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 33 DEGREES 33'28";

THENCE NORTH 74 DEGREES 52'25" EAST, 583.72 FEET; THENCE 136.27 FEET ALONG THE ARC OF A 1500.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 05 DEGREES 12'18";

THENCE NORTH 80 DEGREES 04'43" EAST, 1035.82 FEET;

THENCE 337.93 FEET ALONG THE ARC OF AN 825.00 FOOT RADIUS
TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 23 DEGREES 28'09";

THENCE NORTH 56 DEGREES 36'34" EAST, 416.15 FEET;

THENCE 192.85 FEET ALONG THE ARC OF A 500.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 22 DEGREES 05'55";

THENCE NORTH 78 DEGREES 42'29" EAST, 1371.35 FEET;

THENCE 711.37 FEET ALONG THE ARC OF A 1370.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 29 DEGREES 45'03";

THENCE SOUTH 71 DEGREES 32'29" EAST, 93.07 FEET TO A POINT ON THE EASTERLY LINE OF SAID 203.161 ACRE TRACT OF LAND ALSO BEING THE WESTERLY RIGHT-OF-WAY LINE OF 12TH STREET;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF 12TH STREET AND SAID EASTERLY LINE, SOUTH 18 DEGREES 26'40" WEST, 66.90 FEET TO THE INTERSECTION WITH THE WESTERLY PROLONGATION OF THE CENTERLINE OF 'B' STREET BEING THE SOUTHEASTERLY CORNER OF SAID TRACT OF LAND AS SHOWN ON SAID RECORD OF SURVEY;

THENCE ALONG THE WESTERLY PROLONGATION OF SAID CENTERLINE OF B STREET ALSO BEING THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 71 DEGREES 38'41" WEST, 361.91 FEET TO THE INTERSECTION OF THE PROLONGATION OF 'B' STREET AND THE CENTERLINE OF 11TH STREET;

THENCE ALONG THE CENTERLINE OF 11TH STREET AND SAID SOUTHERLY LINE SOUTH 18 DEGREES 27'07" WEST, 62.81 FEET;

THENCE LEAVING SAID CENTERLINE AND CONTINUING ALONG SAID SOUTHERLY LINE, NORTH 71 DEGREES 32'53" WEST, 40.00 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF 11TH STREET;

THENCE ALONG THE WESTERLY RIGHT-OF-WAY LINE OF 11TH STREET AND SAID SOUTHERLY LINE, SOUTH 18 DEGREES 27'07" WEST, 16.28 FEET;

THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY LINE AND ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 84 DEGREES 24'44" WEST, 67.86 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 89 DEGREES 11'12" WEST, 59.50 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 84 DEGREES 52'06" WEST, 174.68 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 79 DEGREES 18'07" WEST, 46.26 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF 10TH STREET;

THENCE LEAVING SAID EASTERLY LINE, NORTH 82 DEGREES 18'34"
WEST, 40.70 FEET TO A POINT ON THE CENTERLINE OF 10TH STREET;

THENCE ALONG SAID CENTERLINE SOUTH 18 DEGREES 20'40" WEST, 42.10 FEET;

THENCE LEAVING SAID CENTERLINE AND ALONG THE NORTHWESTERLY BOUNDARY OF LAND CONVEYED TO SOUTHERN PACIFIC TRANSPORTATION COMPANY BY DEED RECORDED IN BOOK 7404-05 AT PAGE 325 OFFICIAL RECORDS OF THE COUNTY OF SACRAMENTO, SOUTH 84 DEGREES 27'01" WEST, 83.62 FEET;

THENCE ALONG THE NORTHWESTERLY BOUNDARY OF THE LAND SO CONVEYED, SOUTH 81 DEGREES 47'13" WEST, 91.61 FEET;

THENCE CONTINUING ALONG THE NORTHWESTERLY BOUNDARY OF LAND SO CONVEYED, SOUTH 74 DEGREES 47'23" WEST, 165.45 FEET TO THE MOST WESTERLY CORNER OF SAID PARCEL OF LAND CONVEYED BY DEED RECORDED IN BOOK 7404-05 AT PAGE 325 OFFICIAL RECORDS OF THE COUNTY OF SACRAMENTO ALSO BEING THE CENTERLINE OF 'C' STREET;

THENCE ALONG THE CENTERLINE OF 'C' STREET, NORTH 71 DEGREES 39'20" WEST, 32.04 FEET;

THENCE LEAVING SAID CENTERLINE, SOUTH 78 DEGREES 44'26" WEST, 93.14 FEET TO A POINT ON THE CENTERLINE OF 9TH STREET;

THENCE ALONG THE CENTERLINE OF 9TH STREET, SOUTH 18 DEGREES 16'26" WEST, 13.22 FEET TO A POINT ON SAID CENTERLINE OF 9TH STREET ALSO BEING THE MOST SOUTHERLY CORNER OF THE LAND CONVEYED TO THE SOUTHERN PACIFIC COMPANY BY DEED RECORDED IN BOOK 197 OF DEEDS AT PAGE 163;

THENCE ALONG THE SOUTHERLY LINE OF THE LAND SO CONVEYED, SOUTH 78 DEGREES 44'26" WEST, 459.20 FEET TO A POINT ON THE NORTHEASTERLY PROLONGATION OF THE CENTERLINE OF 8TH STREET;

THENCE ALONG THE NORTHEASTERLY PROLONGATION OF THE CENTERLINE OF 8TH STREET, SOUTH 18 DEGREES 20'04" WEST, 2.91 FEET;

THENCE LEAVING SAID CENTERLINE AND ALONG THE NORTHERLY LINE OF THE LAND CONVEYED TO CONSUMERS ICE AND COLD STORAGE COMPANY BY DEED RECORDED IN BOOK 1239 OF DEEDS AT PAGE 366 OFFICIAL RECORDS OF THE COUNTY OF SACRAMENTO, SOUTH 78 DEGREES 44'26" WEST, 184.38 FEET TO A POINT ON THE NORTHERLY LINE OF 'D' STREET;

THENCE ALONG SAID NORTHERLY LINE SOUTH 71 DEGREES 33'53" EAST, 30.45 FEET TO THE NORTHEAST CORNER OF PARCEL A AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN BOOK 120 OF PARCEL MAPS AT PAGE 10, OFFICIAL COUNTY RECORDS OF SACRAMENTO COUNTY;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL A SOUTH 81 DEGREES 33'29" WEST, 60.44 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, FROM A RADIAL LINE THAT BEARS NORTH 01 DEGREES 54'55" EAST, 320.84 FEET ALONG THE ARC OF A 347.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 52 DEGREES 58'34";

THENCE LEAVING SAID SOUTHERLY LINE, SOUTH 79 DEGREES 25'14" WEST, 190.28 FEET;

THENCE SOUTH 49 DEGREES 52'44" WEST, 326.94 FEET;

THENCE 444.33 FEET ALONG THE ARC OF A 843.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 30 DEGREES 11'59";

THENCE SOUTH 80 DEGREES 04'43" WEST, 17.41 FEET;

THENCE SOUTH 33 DEGREES 41'42" WEST, 107.73 FEET;

THENCE SOUTH 80 DEGREES 04'43" WEST, 268.35 FEET;

THENCE SOUTH 18 DEGREES 24'47" WEST, 490.56 FEET;

THENCE SOUTH 26 DEGREES 44'53" EAST, 62.45 FEET;

THENCE SOUTH 71 DEGREES 37'38" EAST 57.14 FEET TO THE INTERSECTION OF THE NORTHERLY LINE OF 'H' STREET WITH THE WESTERLY LINE OF 5TH STREET;

THENCE ALONG SAID WESTERLY LINE OF 5TH STREET SOUTH 18 DEGREES 26'34" WEST, 40.00 FEET TO THE CENTERLINE OF SAID 'H' STREET;

THENCE ALONG SAID CENTERLINE OF 'H' STREET AND ITS WESTERLY PROLONGATION NORTH 71 DEGREES 33'22" WEST, 136.17 FEET;

THENCE LEAVING SAID WESTERLY PROLONGATION NORTH 18 DEGREES 19'44" EAST, 219.75 FEET;

THENCE NORTH 74 DEGREES 25'02" WEST, 324.15 FEET;

THENCE 135.42 FEET ALONG THE ARC OF A 463.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 16 DEGREES 45'28";

THENCE SOUTH 88 DEGREES 49'30" WEST, 65.06 FEET;

THENCE 173.69 FEET ALONG THE ARC OF A 598.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 16 DEGREES 38'31";

THENCE NORTH 74 DEGREES 31'59" WEST, 71.04 FEET;

THENCE 37.89 FEET ALONG THE ARC OF A 300.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 07 DEGREES 14'13";

THENCE NORTH 81 DEGREES 46'12" WEST, 126.38 FEET;

THENCE 82.27 FEET ALONG THE ARC OF A 465.50 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 10 DEGREES 07'32";

THENCE NORTH 71 DEGREES 38'40" WEST, 81.23 FEET;

THENCE NORTH 71 DEGREES 36'58" WEST, 73.92 FEET;

THENCE SOUTH 85 DEGREES 33'27" WEST, 56.27 FEET;

THENCE 336.55 FEET ALONG THE ARC OF A 843.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 22 DEGREES 52'26" TO THE SOUTHERLY LINE OF SAID TRACT BEING THE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE MOST SOUTHERLY LINE OF PARCEL A, AS FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10. SAID BEARING IS SHOWN AS NORTH 71 DEGREES 30'19" WEST.

EXCLUDING THEREFROM A PARCEL WITH A LOWER PLANE 1CM ABOVE THE TOP OF THE RAILS, AS SAID RAILS ARE PRESENTLY LOCATED OR AS SUCH RAILS WOULD BE INSTALLED AT A LATER DATE, AS FOLLOWS:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND BEING A PORTION OF THAT CERTAIN 203.161 ACRE TRACT OF LAND SHOWN AND DELINEATED ON THAT CERTAIN RECORD OF SURVEY FILED IN BOOK 51 OF SURVEYS AT PAGE 10 OF THE OFFICIAL RECORDS OF SACRAMENTO COUNTY AND A PORTION OF PARCEL A AS SAID PARCEL IS SHOWN AND SO DESIGNATED ON THAT CERTAIN PARCEL MAP FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10 OF SAID OFFICIAL RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 1 1/4' IRON PIPE SITUATE ON THE SOUTHERLY LINE 289.99 FEET EAST OF THE SOUTHWEST CORNER OF SAID TRACT OF LAND, AS SHOWN ON SAID RECORD OF SURVEY;

THENCE FROM SAID POINT OF COMMENCEMENT ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 71 DEGREES 34'07" WEST A DISTANCE OF 120.48 FEET TO THE TRUE POINT OF BEGINNING;

THENCE FROM SAID POINT OF BEGINNING, CONTINUING ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 71 DEGREES 34'07" WEST A DISTANCE OF 169.51 FEET TO THE SOUTHWEST CORNER OF THE 203.161 ACRE TRACT OF LAND AS SHOWN ON SAID RECORD OF SURVEY;

THENCE ALONG THE WESTERLY LINE OF SAID TRACT OF LAND, NORTH 14 DEGREES 06'26" EAST A DISTANCE OF 37.80 FEET;

THENCE CONTINUING ALONG SAID WESTERLY LINE, NORTH 07 DEGREES 07'30" EAST A DISTANCE OF 25.91 FEET;

THENCE CONTINUING ALONG SAID WESTERLY LINE AND THE EASTERLY PROLONGATION OF SAID WESTERLY LINE, SOUTH 71 DEGREES 34'07" EAST A DISTANCE OF 114.83 FEET;

THENCE 439.27 FEET ALONG THE ARC OF A 750.00 FOOT RADIUS TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 33 DEGREES 33'28";

THENCE NORTH 74 DEGREES 52'25" EAST A DISTANCE OF 583.72 FEET;

THENCE 136.27 FEET ALONG THE ARC OF A 1500.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 05 DEGREES 12'18";

THENCE NORTH 80 DEGREES 04'43" EAST A DISTANCE OF 1035.82 FEET;

THENCE 337.93 FEET ALONG THE ARC OF AN 825.00 FOOT RADIUS TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 23 DEGREES 28'09";

THENCE NORTH 56 DEGREES 36'34" EAST A DISTANCE OF 416.15 FEET;

THENCE 192.85 FEET ALONG THE ARC OF A 500.00 FOOT RADIUS

TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 22 DEGREES 05'55";

THENCE NORTH 78 DEGREES 42'29" EAST A DISTANCE OF 1371.35 FEET;

THENCE 711.37 FEET ALONG THE ARC OF A 1370.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 29 DEGREES 45'03";

THENCE SOUTH 71 DEGREES 32'29" EAST A DISTANCE OF 93.07 FEET TO A POINT SITUATE ALONG THE EASTERLY LINE OF SAID TRACT OF LAND ALSO BEING THE WESTERLY RIGHT-OF-WAY OF 12TH STREET;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY OF 12TH STREET, SOUTH 18 DEGREES 26'40" WEST A DISTANCE OF 66.90 FEET TO THE INTERSECTION WITH THE WESTERLY PROLONGATION OF THE CENTERLINE OF 'B' STREET, AS SHOWN ON SAID RECORD OF SURVEY;

THENCE ALONG SAID WESTERLY PROLONGATION OF SAID CENTERLINE OF B STREET ALSO BEING THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 71 DEGREES 38'41 "WEST A

DISTANCE OF 361.91 FEET TO THE CENTERLINE INTERSECTION OF THE PROLONGATION OF 'B' STREET AND 11TH STREET;

THENCE LEAVING THE WESTERLY PROLONGATION OF 'B' STREET AND ALONG THE CENTERLINE OF 11TH STREET, SOUTH 18 DEGREES 27'07" WEST A DISTANCE OF 62.81 FEET TO A POINT SITUATE ALONG SAID CENTERLINE;

THENCE LEAVING SAID CENTERLINE, NORTH 71 DEGREES 32'53" WEST A DISTANCE OF 40.00 FEET TO A POINT SITUATE ALONG THE WESTERLY RIGHT-OF-WAY OF 11TH STREET;

THENCE ALONG THE WESTERLY RIGHT-OF-WAY OF 11TH STREET, SOUTH 18 DEGREES 27'07" WEST A DISTANCE OF 16.28 FEET;

THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY AND ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 84 DEGREES 24'44" WEST A DISTANCE OF 67.86 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 89 DEGREES 11'12" WEST A DISTANCE OF 59.50 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 84 DEGREES 52'06" WEST A DISTANCE OF 174.68 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 79 DEGREES 18'07" WEST A DISTANCE OF 46.26 FEET TO A POINT SITUATE ALONG THE EASTERLY RIGHT OF WAY OF 10TH STREET;

THENCE LEAVING SAID EASTERLY LINE, NORTH 82 DEGREES 18'34" WEST A DISTANCE OF 40.70 FEET TO A POINT SITUATE ON THE CENTERLINE OF 10TH STREET;

THENCE ALONG SAID CENTERLINE SOUTH 18 DEGREES 20'40" WEST A DISTANCE OF 42.10 FEET;

THENCE LEAVING SAID CENTERLINE AND ALONG THE NORTHWESTERLY BOUNDARY OF LAND CONVEYED TO SOUTHERN PACIFIC TRANSPORTATION COMPANY BY DEED RECORDED IN BOOK 7404-05 AT PAGE 325 OFFICIAL RECORDS OF THE COUNTY OF SACRAMENTO, SOUTH 84 DEGREES 27'01" WEST A DISTANCE OF 83.62 FEET;

THENCE ALONG THE NORTHWESTERLY BOUNDARY OF THE LAND SO CONVEYED, SOUTH 81 DEGREES 47'13" WEST A DISTANCE OF 91.61 FEET;

THENCE CONTINUING ALONG THE NORTHWESTERLY BOUNDARY OF LAND SO CONVEYED, SOUTH 74 DEGREES 47'23" WEST A DISTANCE OF 165.45 FEET TO THE MOST WESTERLY CORNER OF SAID PARCEL OF LAND CONVEYED TO THE SOUTHERN PACIFIC TRANSPORTATION COMPANY BY DEED RECORDED IN BOOK 7404-05 AT PAGE 325 OFFICIAL RECORDS OF THE COUNTY OF SACRAMENTO ALSO BEING THE CENTERLINE OF 'C' STREET;

THENCE ALONG THE CENTERLINE OF 'C' STREET, NORTH 71 DEGREES 39'20" WEST A DISTANCE OF 32.04 FEET;

THENCE LEAVING SAID CENTERLINE, SOUTH 78 DEGREES 44'26" WEST A DISTANCE OF 93.14 FEET TO A POINT SITUATE ALONG THE CENTERLINE OF 9TH STREET;

THENCE ALONG THE CENTERLINE OF 9TH STREET, SOUTH 18 DEGREES 16'26" WEST A DISTANCE OF 13.22 FEET TO A POINT SITUATE ALONG SAID CENTERLINE OF 9TH STREET ALSO BEING THE

MOST SOUTHERLY CORNER OF THE LAND CONVEYED TO THE SOUTHERN PACIFIC COMPANY BY DEED RECORDED IN BOOK 197 OF DEEDS AT PAGE 163;

THENCE ALONG THE SOUTHERLY LINE OF THE LAND SO CONVEYED, SOUTH 78 DEGREES 44'26" WEST A DISTANCE OF 459.20 FEET TO A POINT SITUATE ALONG THE NORTHEASTERLY EXTENSION OF THE CENTERLINE OF 8TH STREET;

THENCE ALONG THE NORTHEASTERLY EXTENSION OF THE CENTERLINE OF 8TH STREET, SOUTH 18 DEGREES 20'04" WEST A DISTANCE OF 2.91 FEET;

THENCE LEAVING SAID CENTERLINE AND ALONG THE NORTHERLY LINE OF THE LAND CONVEYED TO CONSUMERS ICE AND COLD STORAGE COMPANY BY DEED RECORDED IN BOOK 1239 OF DEEDS AT PAGE 366 OFFICIAL RECORDS OF THE COUNTY OF SACRAMENTO, SOUTH 78 DEGREES 44'26" WEST A DISTANCE OF 184.38 FEET TO A POINT ON THE NORTHERLY LINE OF 'D' STREET;

THENCE ALONG SAID NORTHERLY LINE SOUTH 71 DEGREES 33'53" EAST A DISTANCE OF 30.45 FEET TO THE NORTHEAST CORNER OF PARCEL A AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN BOOK 120 OF PARCEL MAPS AT PAGE 10, OFFICIAL COUNTY RECORDS OF SACRAMENTO COUNTY;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL A SOUTH 81 DEGREES 33'29" WEST A DISTANCE OF 60.44 FEET TO A POINT OF NON- TANGENT CURVATURE;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, FROM A RADIAL LINE THAT BEARS NORTH 01 DEGREES 54'55" EAST, 320.83 FEET ALONG THE ARC OF A 347.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 52 DEGREES 58'34";

THENCE LEAVING SAID SOUTHERLY LINE, SOUTH 79 DEGREES 25'14" WEST A DISTANCE OF 190.28 FEET;

THENCE SOUTH 49 DEGREES 52'44" WEST A DISTANCE OF 326.94 FEET;

THENCE 444.33 FEET ALONG THE ARC OF A 843.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 30 DEGREES 11'59";

THENCE SOUTH 80 DEGREES 04'43" WEST A DISTANCE OF 985.70 FEET;

THENCE 140.86 FEET ALONG THE ARC OF A 1473.00 FOOT RADIUS TANGENT CURVE THROUGH A CENTRAL ANGLE OF 05 DEGREES 28'44";

THENCE SOUTH 85 DEGREES 33'27" WEST A DISTANCE OF 574.46 FEET;

THENCE 336.55 FEET ALONG THE ARC OF AN 843.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT THOUGH A CENTRAL ANGLE OF 22 DEGREES 52'26" TO A POINT SITUATE ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND AND THE TRUE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE MOST SOUTHERLY LINE OF PARCEL A, AS FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10.

THIS PARCEL IS ALSO DESCRIBED AS PARCEL B IN THE CERTIFICATE OF COMPLIANCE RECORDED DECEMBER 28, 2006 IN BOOK 20061228, PAGE 1681, OFFICIAL RECORDS.

APN:001-0210-013- & 016
002-0010-035, 036, 037, 038, 039,041 & 043

PARCEL 5:

A PARCEL WITH A LOWER PLANE 1CM ABOVE THE TOP OF THE RAILS, AS SAID RAILS ARE PRESENTLY LOCATED OR AS SUCH RAILS WOULD BE INSTALLED AT A LATER DATE, AS FOLLOWS:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY AND COUNTY OF SACRAMENTO, STATE OF CALIFORNIA AND BEING A PORTION OF THAT CERTAIN 203.161 ACRE TRACT OF LAND SHOWN AND DELINEATED ON THAT CERTAIN RECORD OF SURVEY FILED IN BOOK 51 OF SURVEYS AT PAGE 10 OF THE OFFICIAL RECORDS OF SACRAMENTO COUNTY AND A PORTION OF PARCEL A AS SAID PARCEL IS SHOWN AND SO DESIGNATED ON THAT CERTAIN PARCEL MAP FILED IN BOOK 120 OF PARCEL MAPS, AT PAGE 10 OF SAID OFFICIAL RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 1 1/4' IRON PIPE SITUATE ON THE SOUTHERLY LINE 289.99 FEET EAST OF THE SOUTHWEST CORNER OF SAID TRACT OF LAND, AS SHOWN ON SAID RECORD OF SURVEY;

THENCE FROM SAID POINT OF COMMENCEMENT ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 71 DEGREES 34'07" WEST A DISTANCE OF 120.48 FEET TO THE TRUE POINT OF BEGINNING;

THENCE FROM SAID POINT OF BEGINNING, CONTINUING ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 71 DEGREES 34'07" WEST A DISTANCE OF 169.51 FEET TO THE SOUTHWEST CORNER OF THE 203.161 ACRE TRACT OF LAND AS SHOWN ON SAID RECORD OF SURVEY;

THENCE ALONG THE WESTERLY LINE OF SAID TRACT OF LAND, NORTH 14 DEGREES 06'26" EAST A DISTANCE OF 37.80 FEET;

THENCE CONTINUING ALONG SAID WESTERLY LINE, NORTH 07 DEGREES 07'30" EAST A DISTANCE OF 25.91 FEET;

THENCE CONTINUING ALONG SAID WESTERLY LINE AND THE EASTERLY PROLONGATION OF SAID WESTERLY LINE, SOUTH 71 DEGREES 34'07" EAST A DISTANCE OF 114.83 FEET;

THENCE 439.27 FEET ALONG THE ARC OF A 750.00 FOOT RADIUS TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 33 DEGREES 33'28";

THENCE NORTH 74 DEGREES 52'25" EAST A DISTANCE OF 583.72 FEET;

THENCE 136.27 FEET ALONG THE ARC OF A 1500.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 05 DEGREES 12'18";

THENCE NORTH 80 DEGREES 04'43" EAST A DISTANCE OF 1035.82 FEET;

THENCE 337.93 FEET ALONG THE ARC OF AN 825.00 FOOT RADIUS TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 23 DEGREES 28'09";

THENCE NORTH 56 DEGREES 36'34" EAST A DISTANCE OF 416.15 FEET;

THENCE 192.85 FEET ALONG THE ARC OF A 500.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 22
DEGREES 05'55";

THENCE NORTH 78 DEGREES 42'29" EAST A DISTANCE OF 1371.35 FEET;

THENCE 711.37 FEET ALONG THE ARC OF A 1370.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 29 DEGREES 45'03";

THENCE SOUTH 71 DEGREES 32'29" EAST A DISTANCE OF 93.07 FEET TO A POINT SITUATE ALONG THE EASTERLY LINE OF SAID TRACT OF LAND ALSO BEING THE WESTERLY RIGHT-OF-WAY OF 12TH STREET;

THENCE ALONG SAID WESTERLY RIGHT-OF-WAY OF 12TH STREET, SOUTH 18 DEGREES 26'40" WEST A DISTANCE OF 66.90 FEET TO THE INTERSECTION WITH THE WESTERLY PROLONGATION OF THE CENTERLINE OF 'B' STREET, AS SHOWN ON SAID RECORD OF SURVEY;

THENCE ALONG THE WESTERLY PROLONGATION OF SAID CENTERLINE OF B STREET ALSO BEING THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 71 DEGREES 38'41" WEST A DISTANCE OF 361.91 FEET TO THE CENTERLINE INTERSECTION OF THE PROLONGATION OF 'B' STREET AND 11TH STREET;

THENCE LEAVING THE WESTERLY PROLONGATION OF 'B' STREET AND ALONG THE CENTERLINE OF 11TH STREET, SOUTH 18 DEGREES 27'07" WEST A DISTANCE OF 62.81 FEET TO A POINT SITUATE ALONG SAID CENTERLINE;

THENCE LEAVING SAID CENTERLINE, NORTH 71 DEGREES 32'53" WEST A DISTANCE OF 40.00 FEET TO A POINT SITUATE ALONG THE WESTERLY RIGHT-OF-WAY OF 11TH STREET;

THENCE ALONG THE WESTERLY RIGHT-OF-WAY OF 11TH STREET, SOUTH 18 DEGREES 27'07" WEST A DISTANCE OF 16.28 FEET;

THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY AND ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND, NORTH 84 DEGREES 24'44" WEST A DISTANCE OF 67.86 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 89 DEGREES 11'12" WEST A DISTANCE OF 59.50 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 84 DEGREES 52'06" WEST A DISTANCE OF 174. 68 FEET;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 79 DEGREES 18'07" WEST A DISTANCE OF 46.26 FEET TO A POINT SITUATE ALONG THE EASTERLY RIGHT OF WAY OF 10TH STREET;

THENCE LEAVING SAID EASTERLY LINE, NORTH 82 DEGREES 18'34" WEST A DISTANCE OF 40.70 FEET TO A POINT SITUATE ON THE CENTERLINE OF 10TH STREET;

THENCE ALONG SAID CENTERLINE SOUTH 18 DEGREES 20'40" WEST A DISTANCE OF 42.10 FEET;

THENCE LEAVING SAID CENTERLINE AND ALONG THE NORTHWESTERLY BOUNDARY OF LAND CONVEYED TO SOUTHERN PACIFIC TRANSPORTATION COMPANY BY DEED RECORDED IN BOOK

7404-05 AT PAGE 325 OFFICIAL RECORDS OF THE COUNTY OF SACRAMENTO, SOUTH 84 DEGREES 27'01" WEST A DISTANCE OF 83.62 FEET;

THENCE ALONG THE NORTHWESTERLY BOUNDARY OF THE LAND SO CONVEYED, SOUTH 81 DEGREES 47'1 3" WEST A DISTANCE OF 91.61 FEET;

THENCE CONTINUING ALONG THE NORTHWESTERLY BOUNDARY OF LAND SO CONVEYED, SOUTH 74 DEGREES 47'23" WEST A DISTANCE OF 165.45 FEET TO THE MOST WESTERLY CORNER OF SAID PARCEL OF LAND CONVEYED TO THE SOUTHERN PACIFIC TRANSPORTATION COMPANY BY DEED RECORDED IN BOOK 7404-05 AT PAGE 325 OFFICIAL RECORDS OF THE COUNTY OF SACRAMENTO ALSO BEING THE
CENTERLINE OF 'C' STREET;

THENCE ALONG THE CENTERLINE OF 'C' STREET, NORTH 71 DEGREES 39'20" WEST A DISTANCE OF 32.04 FEET;

THENCE LEAVING SAID CENTERLINE, SOUTH 78 DEGREES 44'26" WEST A DISTANCE OF 93.14 FEET TO A POINT SITUATE ALONG THE CENTERLINE OF 9TH STREET

THENCE ALONG THE CENTERLINE OF 9TH STREET, SOUTH 18 DEGREES 16'26" WEST A DISTANCE OF 13.22 FEET TO A POINT SITUATE ALONG SAID CENTERLINE OF 9TH STREET ALSO BEING THE MOST SOUTHERLY CORNER OF THE LAND CONVEYED TO THE SOUTHERN PACIFIC COMPANY BY DEED RECORDED IN BOOK 197 OF DEEDS AT PAGE 163;
THENCE ALONG THE SOUTHERLY LINE OF THE LAND SO CONVEYED, SOUTH 78 DEGREES 44'26" WEST A DISTANCE OF 459.20 FEET TO A POINT SITUATE ALONG THE NORTHEASTERLY EXTENSION OF THE CENTERLINE OF 8TH STREET;

THENCE ALONG THE NORTHEASTERLY EXTENSION OF THE CENTERLINE OF 8TH STREET, SOUTH 18 DEGREES 20'04" WEST A DISTANCE OF 2.91 FEET;

THENCE LEAVING SAID CENTERLINE AND ALONG THE NORTHERLY LINE OF THE LAND CONVEYED TO CONSUMERS ICE AND COLD STORAGE COMPANY BY DEED RECORDED IN BOOK 1239 OF DEEDS AT PAGE 366 OFFICIAL RECORDS OF THE COUNTY OF SACRAMENTO, SOUTH 78 DEGREES 44'26" WEST A DISTANCE OF 184.38 FEET TO A POINT ON THE NORTHERLY LINE OF 'D' STREET;

THENCE ALONG SAID NORTHERLY LINE SOUTH 71 DEGREES 33'53" EAST A DISTANCE OF 30.45 FEET TO THE NORTHEAST CORNER OF PARCEL A AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN BOOK 120 OF PARCEL MAPS AT PAGE 10, OFFICIAL COUNTY RECORDS OF SACRAMENTO COUNTY;

THENCE ALONG THE SOUTHERLY LINE OF SAID PARCEL A SOUTH 81 DEGREES 33'29" WEST A DISTANCE OF 60.44 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, FROM A RADIAL LINE THAT BEARS NORTH 01 DEGREES 54'55" EAST, 320.83 FEET ALONG THE ARC OF A 347.00 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 52 DEGREES 58'34";

THENCE LEAVING SAID SOUTHERLY LINE, SOUTH 79 DEGREES 25'14" WEST A DISTANCE OF 190.28 FEET;

THENCE SOUTH 49 DEGREES 52'44" WEST A DISTANCE OF 326.94 FEET;

THENCE 444.33 FEET ALONG THE ARC OF A 843.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 30 DEGREES 11'59";

THENCE SOUTH 80 DEGREES 04'43" WEST A DISTANCE OF 985.70 FEET;

THENCE 140.86 FEET ALONG THE ARC OF A 1473.00 FOOT RADIUS TANGENT CURVE THROUGH A CENTRAL ANGLE OF 05 DEGREES 28'44"

THENCE SOUTH 85 DEGREES 33'27" WEST A DISTANCE OF 574.46 FEET;

THENCE 336.55 FEET ALONG THE ARC OF AN 843.00 FOOT RADIUS TANGENT CURVE TO THE RIGHT THOUGH A CENTRAL ANGLE OF 22 DEGREES 52'26" TO A POINT SITUATE ALONG THE SOUTHERLY LINE OF SAID TRACT OF LAND AND THE TRUE POINT OF BEGINNING.

PARCEL 6:

AN EASEMENT FOR STORM WATER DRAINAGE AS GRANTED AND DEFINED IN THAT CERTAIN INSTRUMENT ENTITLED "RECIPROCAL EASEMENT AGREEMENT" BY AND BETWEEN UNION PACIFIC RAILROAD CO., A DELAWARE CORPORATION, AND REA PARTNERS, A CALIFORNIA GENERAL PARTNERSHIP, RECORDED DECEMBER 17, 2002 IN BOOK 20021217, PAGE 2211, OFFICIAL RECORDS.

EXHIBIT B-1

~~LAND~~LEGAL DESCRIPTION OF PARCEL B

~~[NOTE: Not to exclude the airspace 1 cm above the top of the rail within the UPRR reserved easement]~~

Legal Description

PARCEL B

APN: 002-0010-046

All that certain real property situate in the City and County of Sacramento, State of California and being a portion of that certain 203.161 acre tract of land shown and so delineated on that certain Record of Survey filed in Book 51 of Surveys at Page 10 of the Official Records of Sacramento County also being all of Parcel B as said parcel is shown and so delineated on that certain Certificate of Compliance recorded in Book 20061228 Page 1681 of said Official Records being described as follows:

Commencing at a 1 ¼" Iron Pipe located South 71°33'08" East, 289.99 feet from the southwesterly corner of said Parcel B and said 203.161 acre tract of land, as shown on said Record of Survey and as said iron pipe is also shown on that certain Record of Survey recorded in Book 78 of Surveys, at Page 6, Official Records of said County;

Thence from said Point of Commencement along the southerly line of said Tract of Land, North 71°33'08" West a distance of 120.48 feet to the **True Point of Beginning**;

Thence from said True Point of Beginning, continuing along the southerly line of said Tract of Land, North 71°33'08" West a distance of 169.51 feet to the southwest corner of the 203.161 acre Tract of Land as shown on said Record of Survey;

Thence along the westerly line of said Tract of Land, North 14°07'25" East a distance of 37.80 feet;

Thence continuing along said westerly line, North 07°08'29" East a distance of 25.91 feet;

Thence continuing along said westerly line and the easterly prolongation of said westerly line, South 71°33'08" East a distance of 114.83 feet;

Thence 439.27 feet along the arc of a 750.00 foot radius tangent curve to the left through a central angle of 33°33'28";

Thence North 74°53'24" East a distance of 583.72 feet;

Thence 136.27 feet along the arc of a 1500.00 foot radius tangent curve to the right through a central angle of 05°12'18";

Thence North 80°05'42" East a distance of 1035.82 feet;

Thence 337.93 feet along the arc of an 825.00 foot radius tangent curve to the left through a central angle of 23°28'09";

Thence North 56°37'33" East a distance of 416.15 feet;

Thence 192.85 feet along the arc of a 500.00 foot radius tangent curve to the right, through a central angle of 22°05'55";

Thence North 78°43'28" East a distance of 1371.35 feet;

Thence 711.37 feet along the arc of a 1370.00 foot radius tangent curve to the right, through a central angle of 29°45'03";

Thence South 71°31'30" East a distance of 93.07 feet to a point situate along the easterly line of said Tract of Land also being the westerly right-of-way of 12th Street;

Thence along said westerly right-of-way of 12th Street, South 18°27'39" West a distance of 66.90 feet to the intersection with the westerly prolongation of the centerline of "B" Street, as shown on said Record of Survey;

Thence along the westerly prolongation of said centerline of "B" Street also being the southerly line of said Tract of Land, North 71°37'42" West a distance of 361.91 feet to the intersection of the prolongation of "B" Street and 11th Street;

Thence along the centerline of 11th Street, South 18°28'06" West a distance of 62.81 feet;

Thence leaving said centerline, North 71°31'54" West a distance of 40.00 feet to a point situate along the westerly right-of-way of 11th Street;

Thence along the westerly right-of-way of 11th Street, South 18°28'06" West a distance of 16.28 feet;

Thence leaving said westerly right-of-way and along the southerly line of said Tract of Land, North 84°23'45" West a distance of 67.86 feet;

Thence continuing along said southerly line, South 89°12'11" West a distance of 59.50 feet;

Thence continuing along said southerly line, South 84°53'05" West a distance of 174.68 feet;

Thence continuing along said southerly line, South 79°19'06" West a distance of 46.26 feet to a point situate along the easterly right-of-way of 10th Street;

Thence leaving said easterly line, North 82°17'35" West a distance of 40.70 feet to a point situate on the centerline of 10th Street;

Thence along said centerline South 18°21'39" West a distance of 42.10 feet;

Thence leaving said centerline and along the northwesterly boundary of land conveyed to Southern Pacific Transportation Company by Deed recorded in Book 7404-05 at Page 325 Official Records of the County of Sacramento, South 84°28'00" West a distance of 83.62 feet;

Thence along the northwesterly boundary of the land so conveyed, South 81°48'12" West a distance of 91.61 feet;

Thence continuing along the northwesterly boundary of land so conveyed, South 74°48'22" West a distance of 165.45 feet to the most westerly corner of said parcel of land conveyed to the Southern Pacific Transportation Company by Deed recorded in Book 7404-05 at Page 325 Official Records of the County of Sacramento also being the centerline of "C" Street;

Thence along the centerline of "C" Street, North 71°38'21" West a distance of 32.04 feet;

Thence leaving said centerline, South 78°45'25" West a distance of 93.14 feet to a point situate along the centerline of 9th Street;

Thence along the centerline of 9th Street, South 18°17'25" West a distance of 13.22 feet to a point situate along said centerline of 9th Street also being the most southerly corner of the land conveyed to the Southern Pacific Transportation Company by Deed recorded in Book 197 of Deeds at Page 163;

Thence along the southerly line of the land so conveyed, South 78°45'25" West a distance of 459.20 feet to a point situate along the northeasterly extension of the centerline of 8th Street;

Thence along the northeasterly extension of the centerline of 8th Street, South 18°21'03" West a distance of 2.91 feet;

Thence leaving said centerline and along the northerly line of the land conveyed to Consumers Ice and Cold Storage Company by Deed recorded in Book 1239 of Deeds at Page 366 Official Records of the County of Sacramento, South 78°45'25" West a distance of 184.38 feet to a point on the northerly line of "D" Street;

Thence along said northerly line South 71°32'54" East a distance of 30.45 feet to the Northeasterly corner of Parcel A as shown on that certain Parcel Map filed for Record in Book 120 of Parcel Maps at Page 10, Official Records of the County of Sacramento;

Thence along the southerly line of said Parcel A South 81°34'28" West a distance of 60.44 feet to a point of non-tangent curvature;

Thence continuing along said southerly line, from a radial line that bears North 01°55'54" East, 320.84 feet along the arc of a 347.00 foot radius non-tangent curve to the left, through a central angle of 52°58'34";

Thence leaving said southerly line, South 79°26'13" West a distance of 190.28 feet;

Thence South 49°53'43" West a distance of 326.94 feet;

Thence 444.33 feet along the arc of an 843.00 foot radius tangent curve to the right, through a central angle of 30°11'59";

Thence South 80°05'42" West, 17.41feet;

Thence South 33°42'41" West, 107.73 feet;

Thence South 80°05'42" West, 268.35 feet;

Thence South 18°25'46" West, 490.56 feet;

Thence South 26°43'54" East, 62.45 feet;

Thence South 71°36'39" East a distance of 57.14 feet to the intersection of the Northerly line of "H" Street with the Westerly line of 5th Street;

Thence along said Westerly line of 5th Street South 18°27'33" West, 40.00 feet to the centerline of "H" Street;

Thence along the centerline of "H" Street and its Westerly prolongation North 71°32'23" West, 136.17 feet;

Thence leaving said Westerly prolongation North 18°20'43" East, 219.75 feet;

Thence North 74°24'03" West, 324.15 feet;

Thence 135.42 feet along the arc of a 463.00 foot radius tangent curve to the left, through a central angle of 16°45'28";

Thence South 88°50'29" West, 65.06 feet;

Thence 173.69 feet along the arc of a 598.00 foot radius tangent curve to the right, through a central angle of 16°38'31";

Thence North 74°31'00" West, 71.04 feet;

Thence 37.89 feet along the arc of a 300.00 foot radius tangent curve to the left, through a central angle of 07°14'13";

Thence North 81°45'13" West, 126.38 feet;

Thence 82.27 feet along the arc of a 465.50 foot radius tangent curve to the right, through a central angle of 10°07'32";

Thence North 71°37'41" West, 81.23 feet;

Thence North 71°35'59" West, 73.92 feet;

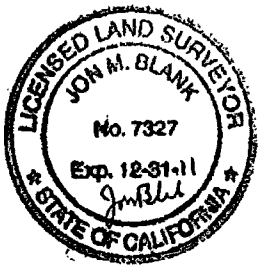
Thence South 85°34'26" West a distance of 56.27 feet;

Thence 336.55 feet along the arc of an 843.00 foot radius tangent curve to the right through a central angle of 22°52'26" to a point situate along the southerly line of said Tract of Land and the **True Point of Beginning**.

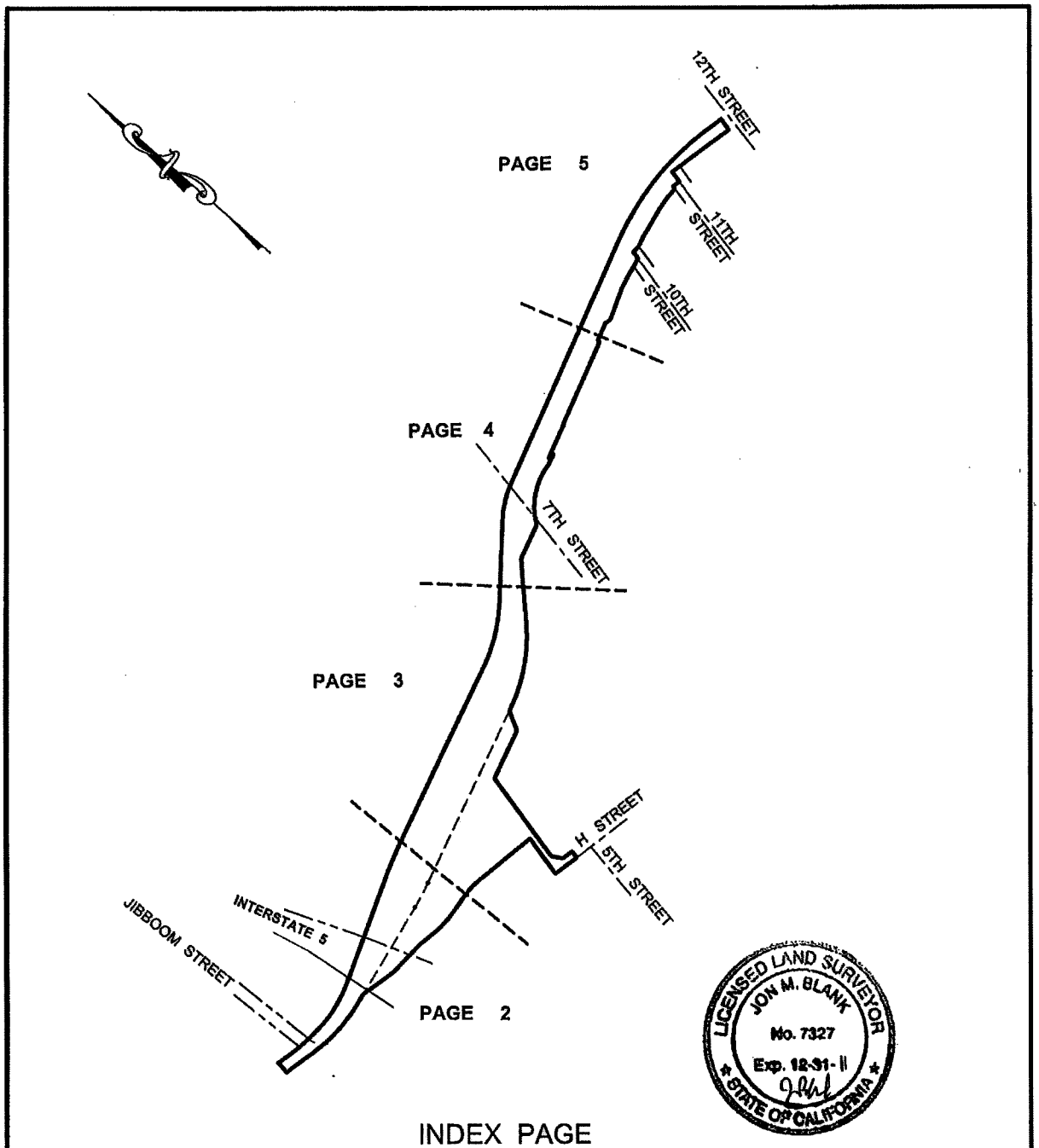
The basis of bearings for this description is the northerly line of a Record of Survey filed for record in Book 78 of Surveys at Page 6, said bearing is shown on said map as South 71°33'08" East. The bearings for this description are based on the California State Plane Coordinate System, Zone 2, NAD 83, Epoch date 1991.35.

Containing 23.86 acres of land, more or less.

Note: The above described parcel does not include rights to the exclusion parcel as shown on that certificate of compliance recorded in the office of the recorder in book 20081228, at page 1681, records of Sacramento County.



1-5-11



INDEX PAGE

EXHIBIT B

PARCEL B

CITY OF SACRAMENTO

STATE OF CALIFORNIA

SCALE: NONE

DATE: 1/5/2011

PAGE 1 OF 5

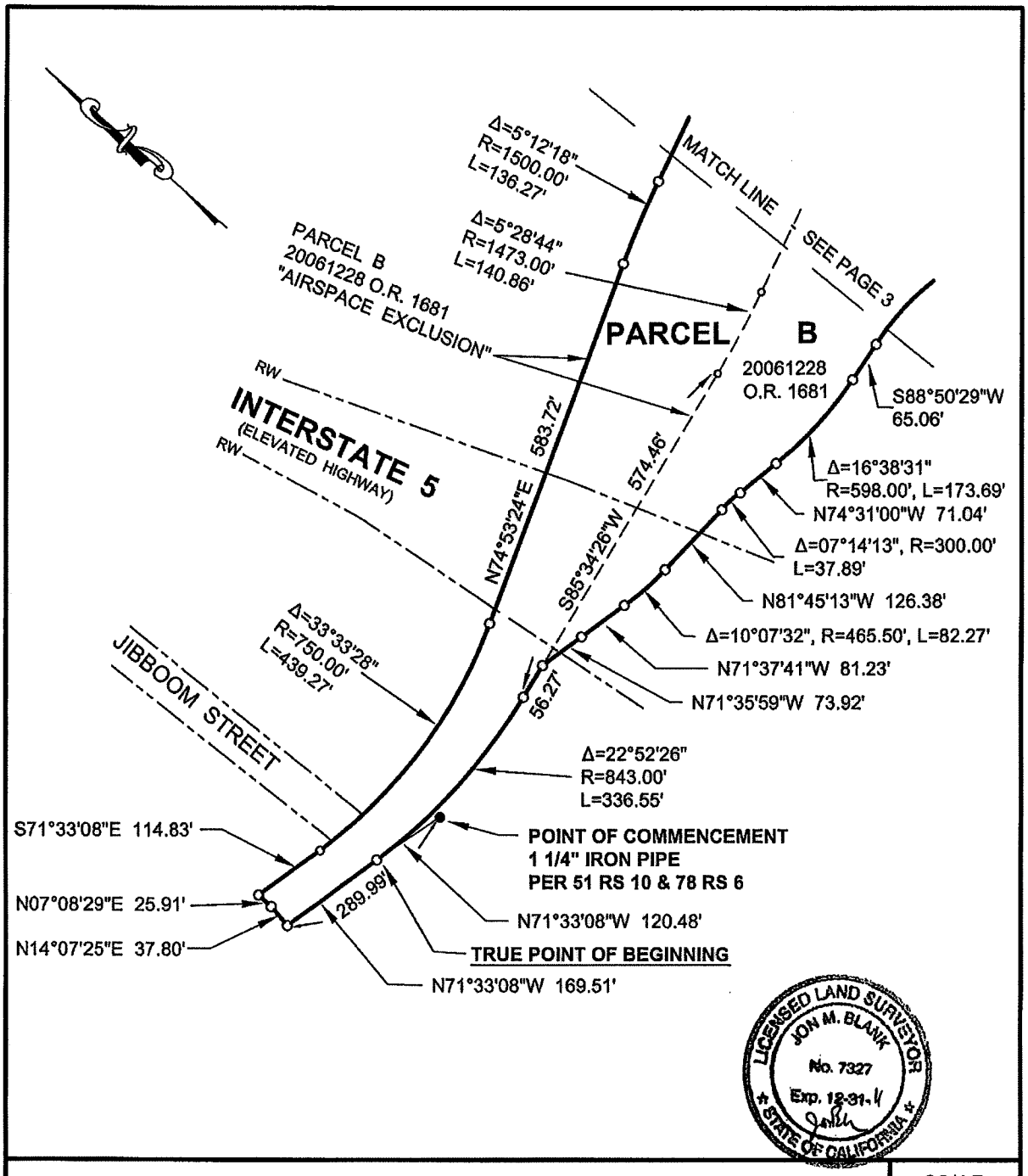


EXHIBIT B

PARCEL B

CITY OF SACRAMENTO — STATE OF CALIFORNIA

SCALE:	1"=200'
DATE:	1/5/2011
PAGE	2 OF 5

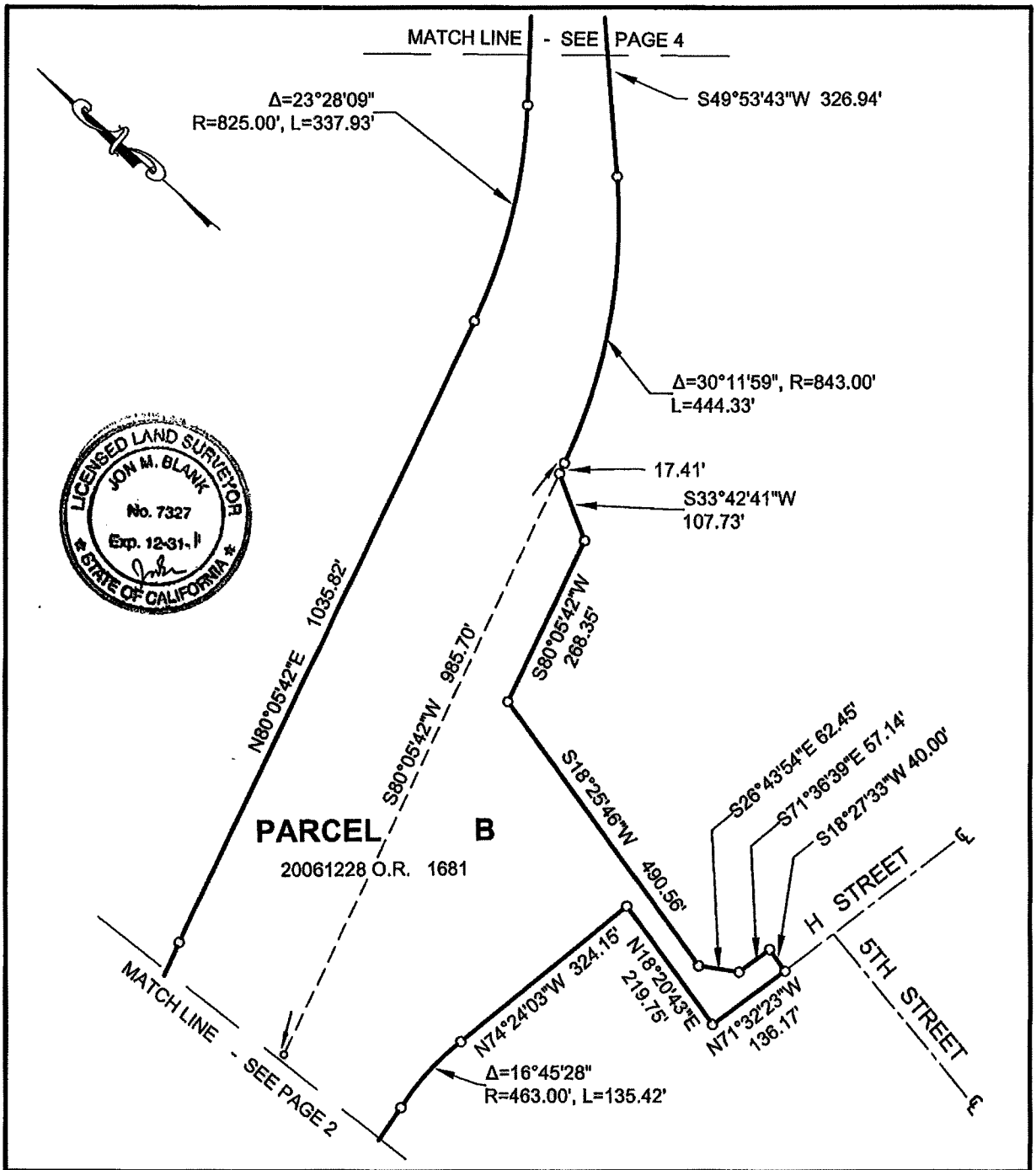


EXHIBIT B

PARCEL B

CITY OF SACRAMENTO

STATE OF CALIFORNIA

SCALE: 1"=200'

DATE: 1/5/2011

PAGE 3 OF 5

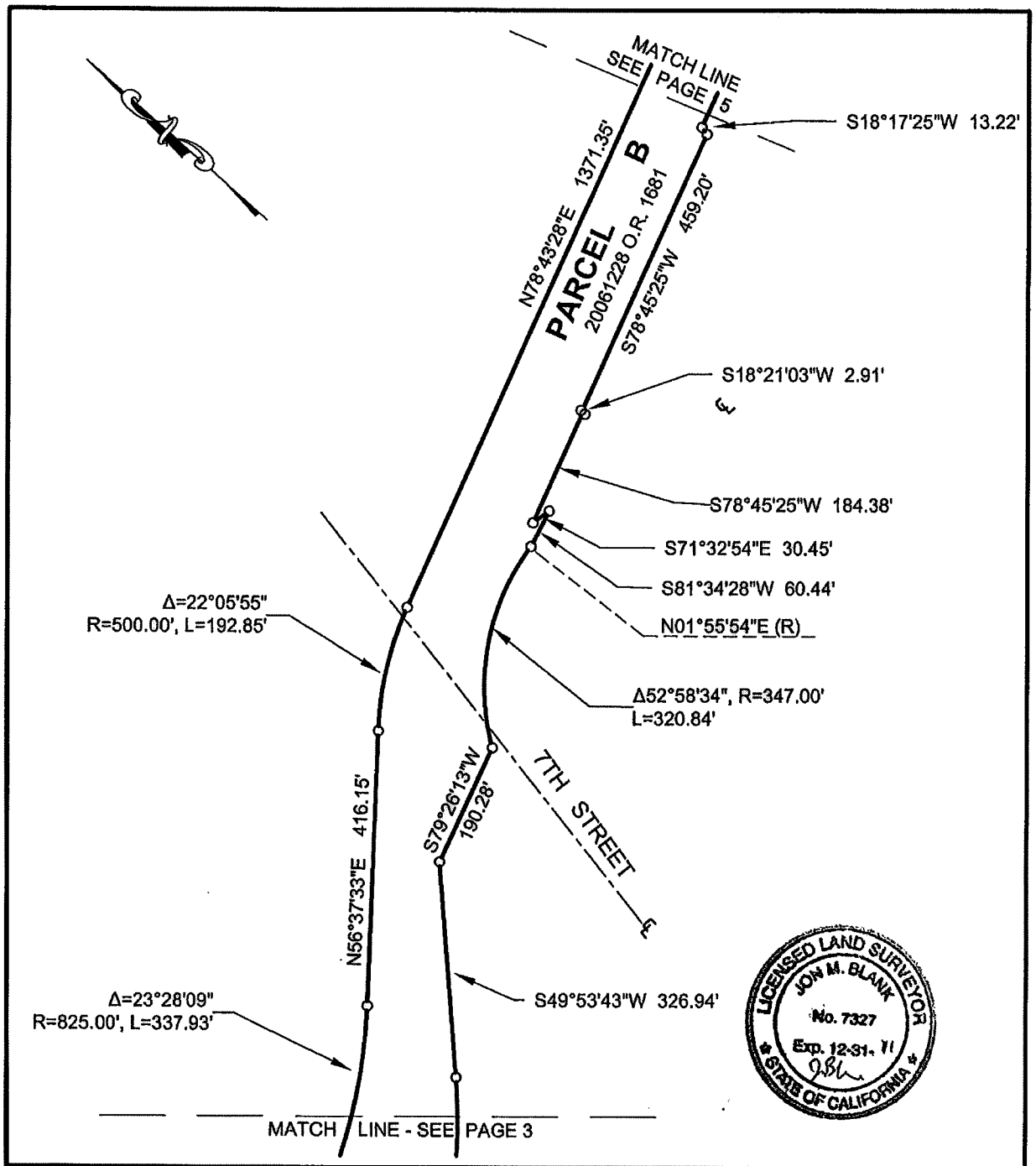


EXHIBIT B

PARCEL B

CITY OF SACRAMENTO

STATE OF CALIFORNIA

SCALE: 1"=200'

DATE: 1/5/2011

PAGE 4 OF 5

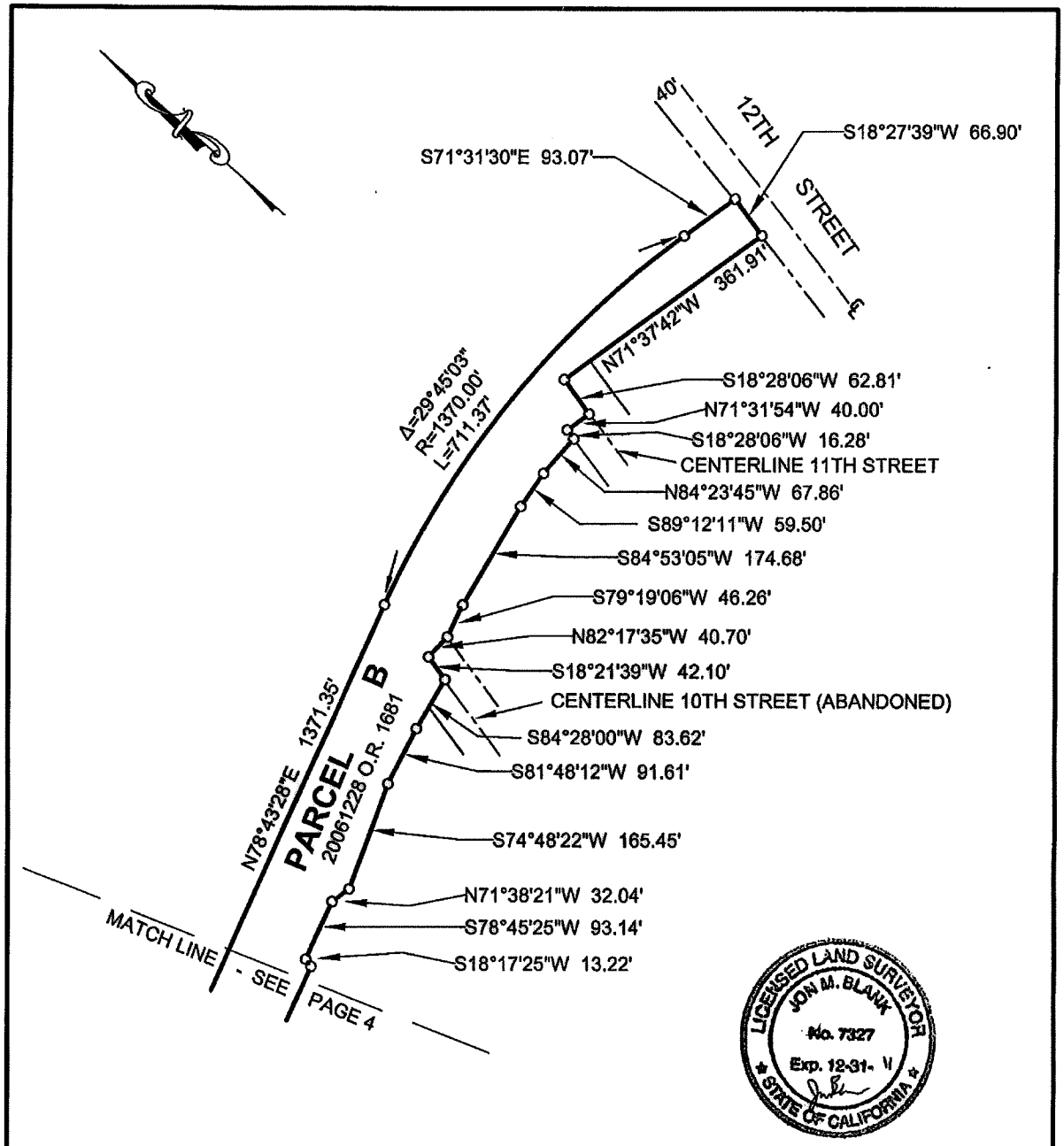


EXHIBIT B

PARCEL B

CITY OF SACRAMENTO

STATE OF CALIFORNIA

SCALE: 1"=200'

DATE: 1/5/2011

PAGE 5 OF 5

EXHIBIT B-2

LEGAL DESCRIPTION OF PARCEL B AIRSPACE PARCEL

Legal Description

AIRSPACE RIGHTS IN FEE SIMPLE

All that certain real property situate in the City and County of Sacramento, State of California and being a portion of that certain 203.161 acre tract of land shown and so delineated on that certain Record of Survey filed in Book 51 of Surveys at Page 10 of the Official Records of Sacramento County also being a portion of Parcel B as said parcel is shown and so delineated on that certain Certificate of Compliance recorded in Book 20061228 Page 1681 of said Official Records and more particularly all that certain airspace with a lower plane 1 cm above the top of the rails, as said rails are presently located or as such rails would be installed at a later date, described as follows:

Commencing at a 1 ¼" Iron Pipe located South 71°33'08" East, 289.99 feet from the southwesterly corner of said Parcel B and said 203.161 acre tract of land, as shown on said Record of Survey and as said iron pipe is also shown on that certain Record of Survey recorded in Book 78 of Surveys, at Page 6, Official Records of said County;

Thence from said Point of Commencement along the southerly line of said Tract of Land, North 71°33'08" West a distance of 120.48 feet to the **True Point of Beginning**;

Thence from said True Point of Beginning, continuing along the southerly line of said Tract of Land, North 71°33'08" West a distance of 169.51 feet to the southwest corner of the 203.161 acre Tract of Land as shown on said Record of Survey;

Thence along the westerly line of said Tract of Land, North 14°07'25" East a distance of 37.80 feet;

Thence continuing along said westerly line, North 07°08'29" East a distance of 25.91 feet;

Thence continuing along said westerly line and the easterly prolongation of said westerly line, South 71°33'08" East a distance of 114.83 feet;

Thence 439.27 feet along the arc of a 750.00 foot radius tangent curve to the left through a central angle of 33°33'28";

Thence North 74°53'24" East a distance of 583.72 feet;

Thence 136.27 feet along the arc of a 1500.00 foot radius tangent curve to the right through a central angle of 05°12'18";

Thence North 80°05'42" East a distance of 1035.82 feet;

Thence 337.93 feet along the arc of an 825.00 foot radius tangent curve to the left through a central angle of 23°28'09";

Thence North 56°37'33" East a distance of 416.15 feet;

Thence 192.85 feet along the arc of a 500.00 foot radius tangent curve to the right, through a central angle of 22°05'55";

Thence North 78°43'28" East a distance of 1371.35 feet;

Thence 711.37 feet along the arc of a 1370.00 foot radius tangent curve to the right, through a central angle of 29°45'03";

Thence South 71°31'30" East a distance of 93.07 feet to a point situate along the easterly line of said Tract of Land also being the westerly right-of-way of 12th Street;

Thence along said westerly right-of-way of 12th Street, South 18°27'39" West a distance of 66.90 feet to the intersection with the westerly prolongation of the centerline of "B" Street, as shown on said Record of Survey;

Thence along the westerly prolongation of said centerline of "B" Street also being the southerly line of said Tract of Land, North 71°37'42" West a distance of 361.91 feet to the centerline intersection of the prolongation of "B" Street and 11th Street;

Thence leaving the westerly prolongation of "B" Street and along the centerline of 11th Street, South 18°28'06" West a distance of 62.81 feet to a point situate along said centerline;

Thence leaving said centerline, North 71°31'54" West a distance of 40.00 feet to a point situate along the westerly right-of-way of 11th Street;

Thence along the westerly right-of-way of 11th Street, South 18°28'06" West a distance of 16.28 feet;

Thence leaving said westerly right-of-way and along the southerly line of said Tract of Land, North 84°23'45" West a distance of 67.86 feet;

Thence continuing along said southerly line, South 89°12'11" West a distance of 59.50 feet;

Thence continuing along said southerly line, South 84°53'05" West a distance of 174.68 feet;

Thence continuing along said southerly line, South 79°19'06" West a distance of 46.26 feet to a point situate along the easterly right-of-way of 10th Street;

Thence leaving said easterly line, North 82°17'35" West a distance of 40.70 feet to a point situate on the centerline of 10th Street;

Thence along said centerline South 18°21'39" West a distance of 42.10 feet;

Thence leaving said centerline and along the northwesterly boundary of land conveyed to Southern Pacific Transportation Company by Deed recorded in Book 7404-05 at Page 325 Official Records of the County of Sacramento, South 84°28'00" West a distance of 83.62 feet;

Thence along the northwesterly boundary of the land so conveyed, South 81°48'12" West a distance of 91.61 feet;

Thence continuing along the northwesterly boundary of land so conveyed, South 74°48'22" West a distance of 165.45 feet to the most westerly corner of said parcel of land conveyed to the Southern Pacific Transportation Company by Deed recorded in Book 7404-05 at Page 325 Official Records of the County of Sacramento also being the centerline of "C" Street;

Thence along the centerline of "C" Street, North 71°38'21" West a distance of 32.04 feet;

Thence leaving said centerline, South 78°45'25" West a distance of 93.14 feet to a point situate along the centerline of 9th Street;

Thence along the centerline of 9th Street, South 18°17'25" West a distance of 13.22 feet to a point situate along said centerline of 9th Street also being the most southerly corner of the land conveyed to the Southern Pacific Transportation Company by Deed recorded in Book 197 of Deeds at Page 163;

Thence along the southerly line of the land so conveyed, South 78°45'25" West a distance of 459.20 feet to a point situate along the northeasterly extension of the centerline of 8th Street;

Thence along the northeasterly extension of the centerline of 8th Street, South 18°21'03" West a distance of 2.91 feet;

Thence leaving said centerline and along the northerly line of the land conveyed to Consumers Ice and Cold Storage Company by Deed recorded in Book 1239 of Deeds at Page 366 Official Records of the County of Sacramento, South 78°45'25" West a distance of 184.38 feet to a point on the northerly line of "D" Street;

Thence along said northerly line South 71°32'54" East a distance of 30.45 feet to the Northeasterly corner of Parcel A as shown on that certain Parcel Map filed for Record in Book 120 of Parcel Maps at Page 10, Official Records of the County of Sacramento;

Thence along the southerly line of said Parcel A South 81°34'28" West a distance of 60.44 feet to a point of non-tangent curvature;

Thence continuing along said southerly line, from a radial line that bears North 01°55'54" East, 320.84 feet along the arc of a 347.00 foot radius non-tangent curve to the left, through a central angle of 52°58'34";

Thence leaving said southerly line, South 79°26'13" West a distance of 190.28 feet;

Thence South 49°53'43" West a distance of 326.94 feet;

Thence 444.33 feet along the arc of an 843.00 foot radius tangent curve to the right, through a central angle of 30°11'59";

Thence South 80°05'42" West a distance of 985.70 feet;

Thence 140.86 feet along the arc of a 1473.00 foot radius tangent curve through a central angle of 05°28'44";

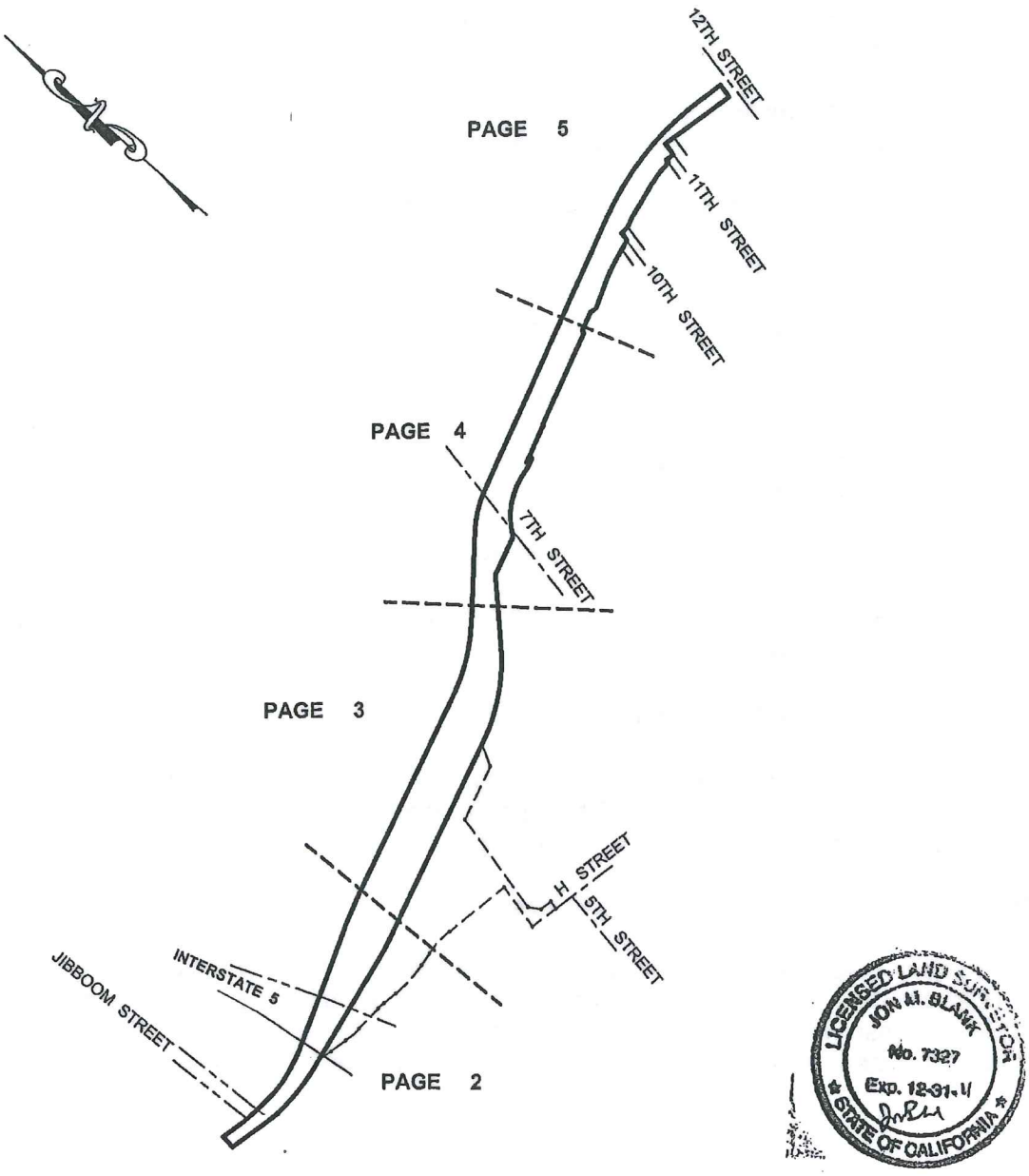
Thence South 85°34'26" West a distance of 574.46 feet;

Thence 336.55 feet along the arc of an 843.00 foot radius tangent curve to the right through a central angle of 22°52'26" to a point situate along the southerly line of said Tract of Land and the **True Point of Beginning**.

Containing 17.46 acres of land, more or less.

The basis of bearings for this description is the northerly line of a Record of Survey filed for record in Book 78 of Surveys at Page 6, said bearing is shown on said map as South 71°33'08" East. The bearings for this description are based on the California State Plane Coordinate System, Zone 2, NAD 83, Epoch date 1991.35.

1-5-11



INDEX PAGE

EXHIBIT D

AIRSPACE RIGHTS IN FEE SIMPLE

EXCLUSION PARCEL SHOWN ON CERTIFICATE OF COMPLIANCE

RECORDED IN BOOK 20061228 O.R. 1681

CITY OF SACRAMENTO STATE OF CALIFORNIA

SCALE: NONE
DATE: 1/5/2011
PAGE 1 OF 5

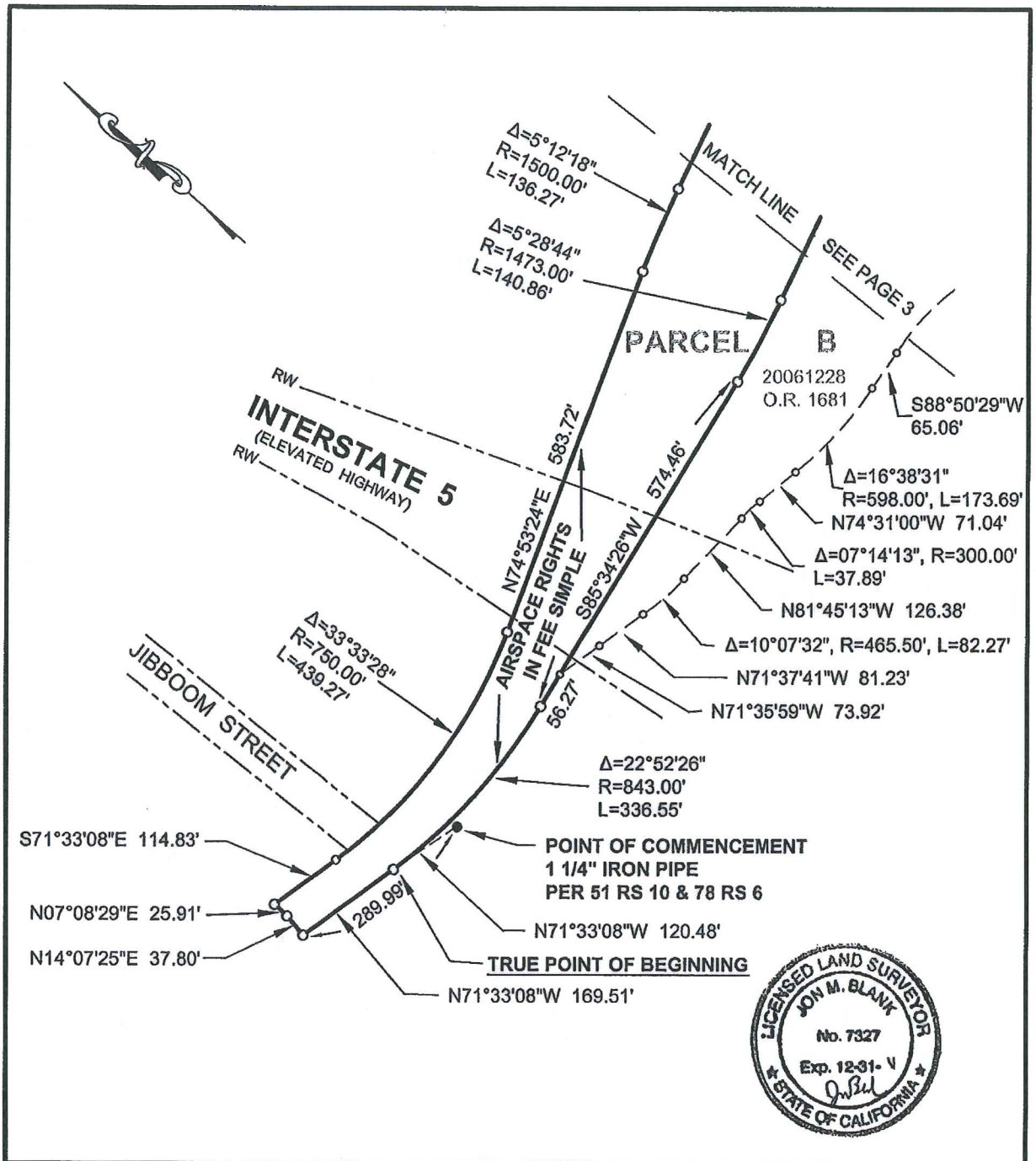


EXHIBIT D

AIRSPACE RIGHTS IN FEE SIMPLE

EXCLUSION PARCEL SHOWN ON CERTIFICATE OF COMPLIANCE

RECORDED IN BOOK 20061228 O.R. 1681

CITY OF SACRAMENTO STATE OF CALIFORNIA

SCALE: 1"=200'

DATE: 1/5/2011

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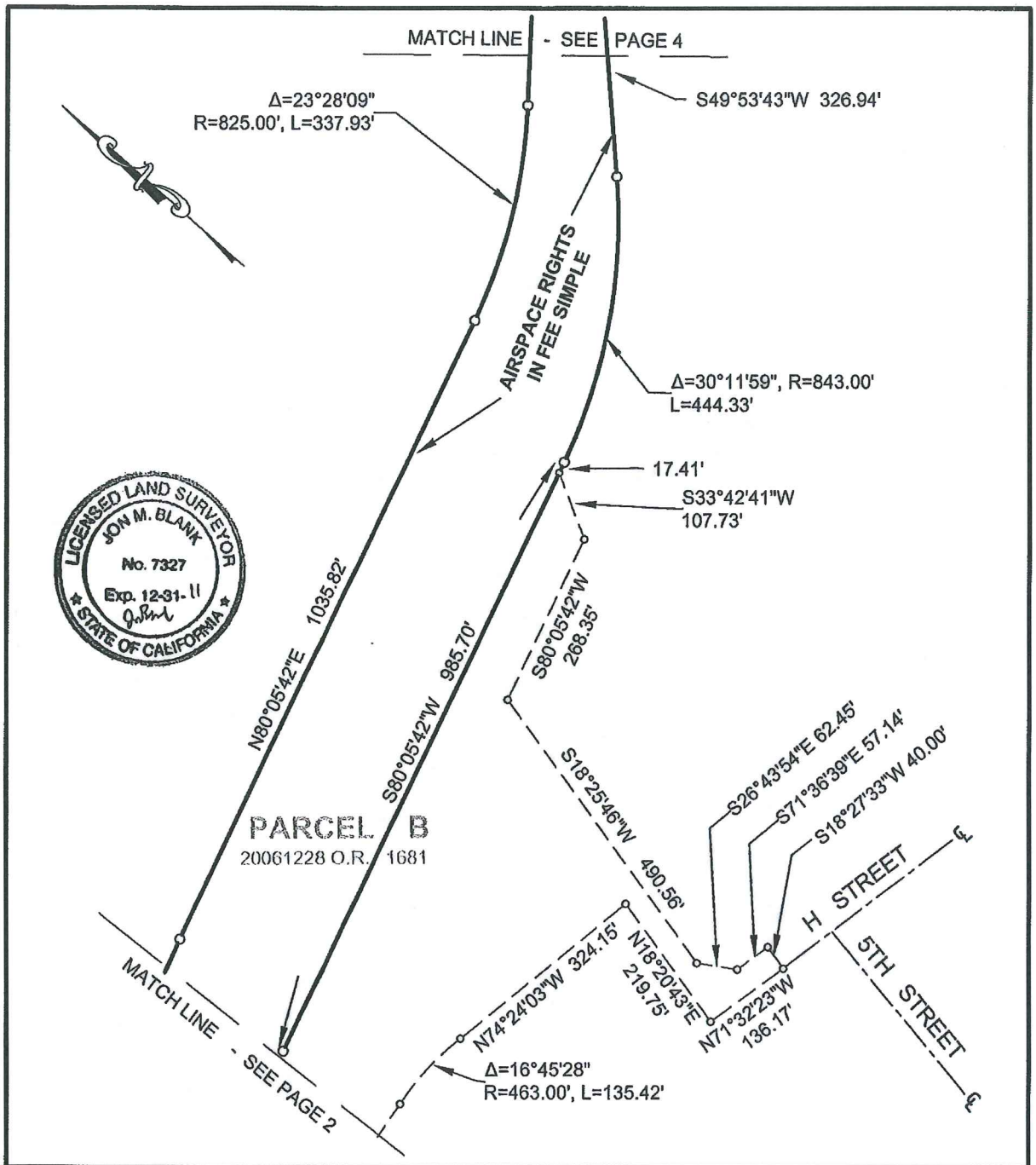

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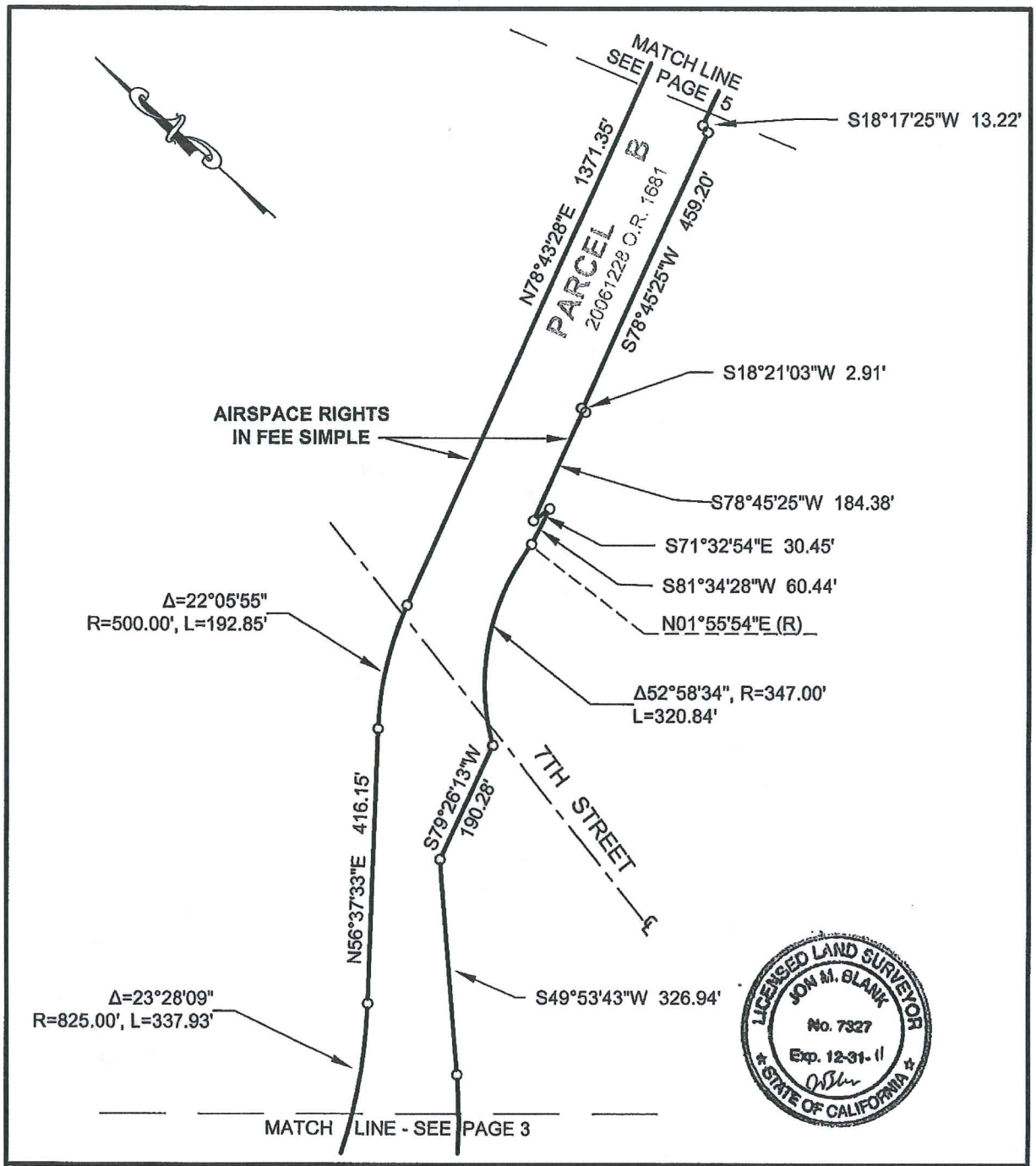
RECORDED IN BOOK 20061228 O.R. 1681

CITY OF SACRAMENTO STATE OF CALIFORNIA

SCALE: 1"=200'
DATE: 1/5/2011
PAGE 3 OF 5



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AIRSPACE RIGHTS IN FEE SIMPLE

EXCLUSION PARCEL SHOWN ON CERTIFICATE OF COMPLIANCE

RECORDED IN BOOK 20061228 O.R. 1681

CITY OF SACRAMENTO — STATE OF CALIFORNIA

SCALE: 1"=200'

DATE: 1/5/2011

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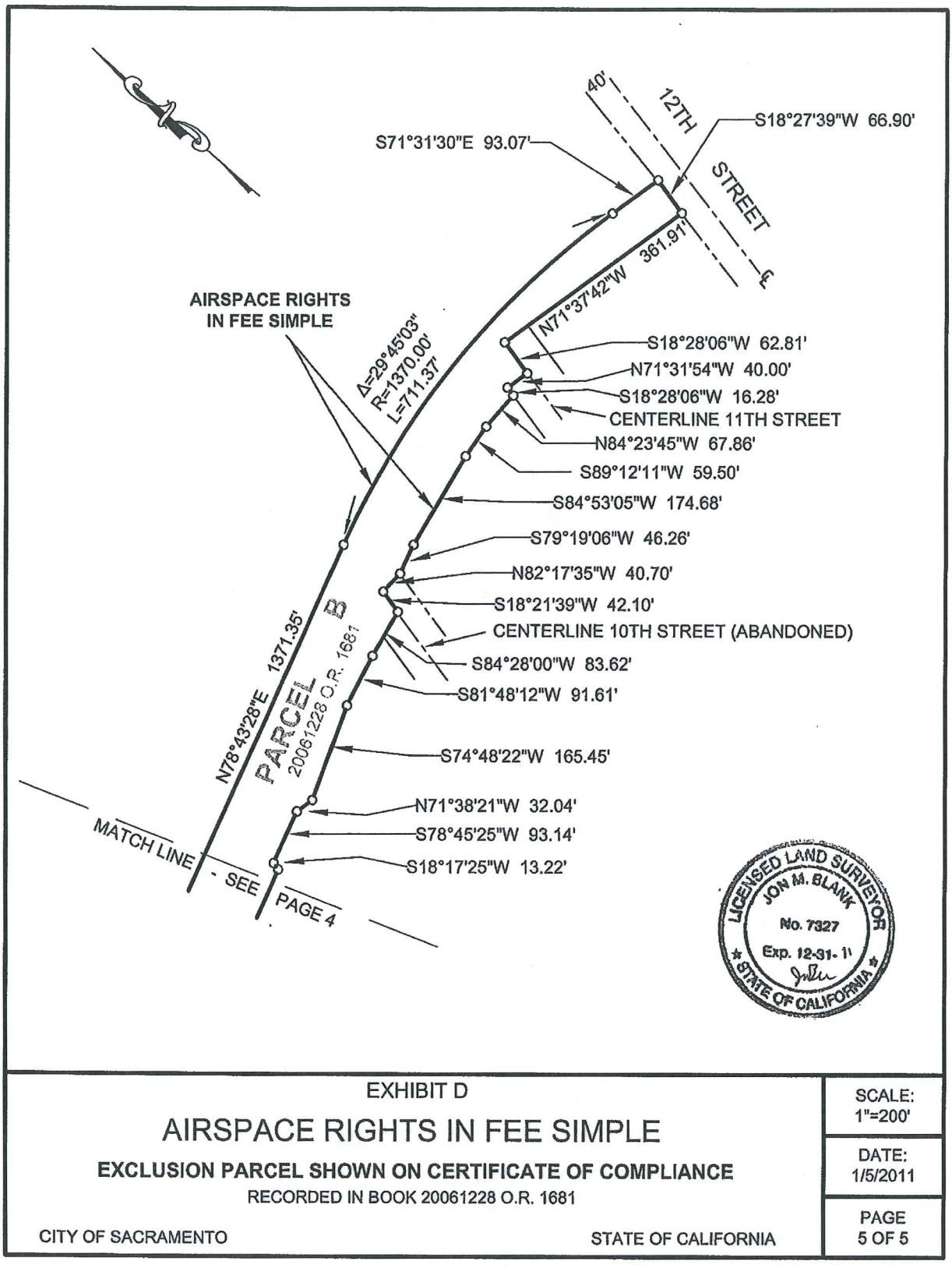

EXHIBIT D

AIRSPACE RIGHTS IN FEE SIMPLE

EXCLUSION PARCEL SHOWN ON CERTIFICATE OF COMPLIANCE

RECORDED IN BOOK 20061228 O.R. 1681

CITY OF SACRAMENTO — STATE OF CALIFORNIA

SCALE: 1"=200'
DATE: 1/5/2011
PAGE 5 OF 5

EXHIBIT B-~~23~~

~~LAND~~LEGAL DESCRIPTION OF SLIVER PARCEL

Legal Description

SLIVER PARCEL

PORTION OF APN: 002-0010-053

All that certain real property situate in the City of Sacramento, County of Sacramento, State of California and being a portion of that certain 203.161 acre tract of land shown and so delineated on that certain Record of Survey filed in Book 51 of Surveys at Page 10 of the Official Records of Sacramento County.

Commencing at a 1 ¼" Iron Pipe located South 71°33'08" East, 289.99 feet from the southwesterly corner of said Parcel B and said 203.161 acre tract of land, as shown on said Record of Survey and as said iron pipe is also shown on that certain Record of Survey recorded in Book 78 of Surveys, at Page 6, Official Records of said County;

Thence from said Point of Commencement along the southerly line of said Tract of Land, North 71°33'08" West a distance of 289.99 feet to said southwesterly corner;

Thence along the westerly line of said parcel B and said Tract of Land, North 14°07'25" East a distance of 37.80 feet;

Thence continuing along said westerly line, North 07°08'29" East a distance of 25.91 feet;

Thence continuing along said westerly line and the easterly prolongation of said westerly line along the northerly line of said Parcel B, South 71°33'08" East a distance of 114.83 feet to the **True Point of Beginning,** a point of non-tangent curvature;

Thence from said **True Point of Beginning**, leaving said northerly line of said Parcel B, from a radial line that bears South 16°12'37" West, 256.48 feet along the arc of a 969.00 foot radius non-tangent curve to the left, through a central angle of 15°09'55" to a point of non-tangent curvature, said point being a point on the northerly line of said Parcel B;

Thence along the northerly line of said Parcel B, from a radial line that bears South 01°11'05" East, 256.99 feet along the arc of a 750.00 foot radius non-tangent curve to the right through a central angle of 19°37'57" to the **True Point of Beginning.**

Containing 429.00 square feet of land, more or less.

The basis of bearings for this description is the northerly line of a Record of Survey filed for record in Book 78 of Surveys at Page 6, said bearing is shown on said map as South 71°33'08" East. The bearings for this description are based on the California State Plane Coordinate System, Zone 2, NAD 83, Epoch date 1991.35.

1-5-11

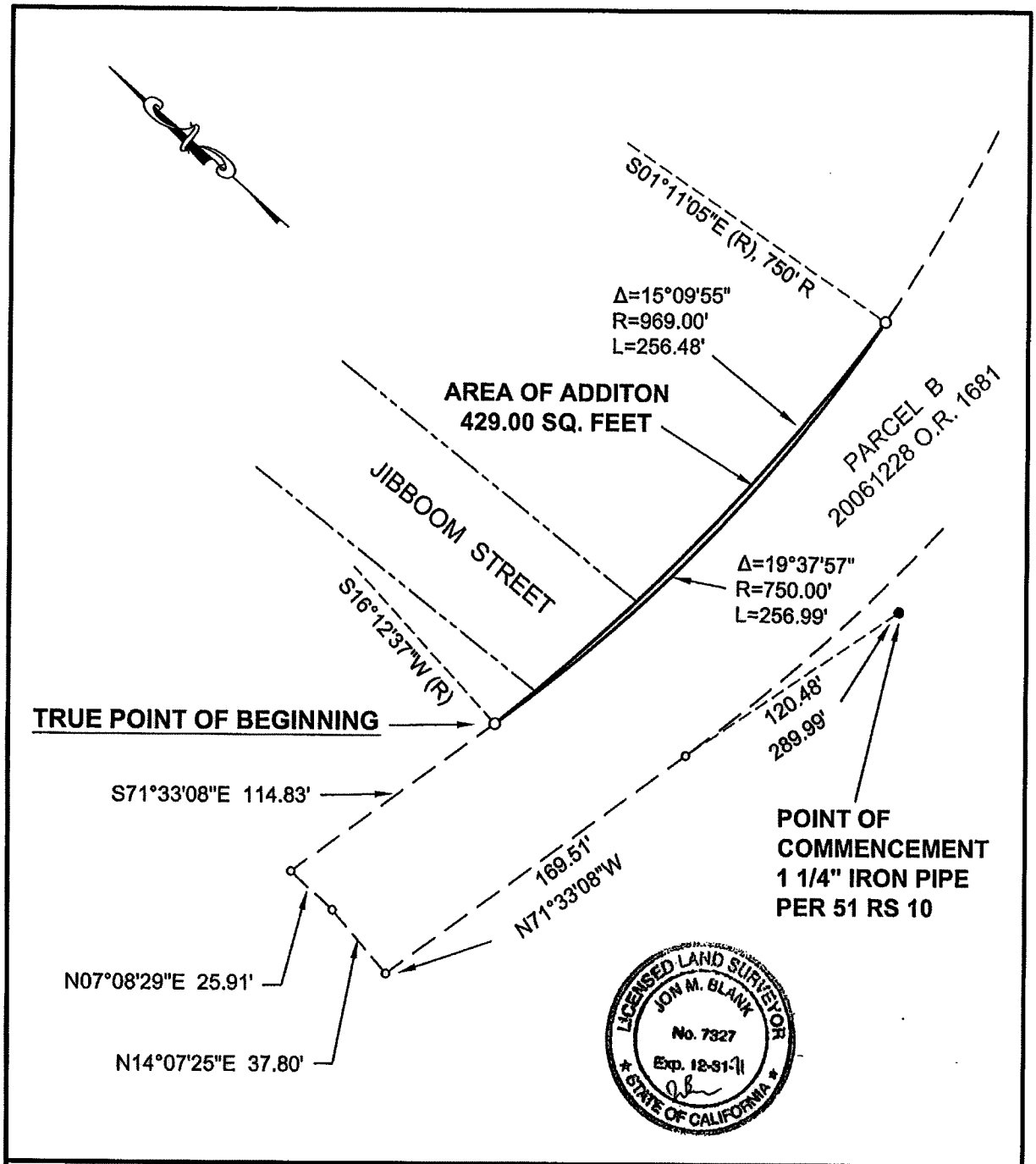

EXHIBIT B

SLIVER PARCEL

CITY OF SACRAMENTO

STATE OF CALIFORNIA

SCALE: 1"=60'
DATE: 1/5/2011
PAGE 1 OF 1

EXHIBIT C

FORM OF GRANT DEED

DO NOT RECORD

DOCUMENT NO. _____

STATEMENT OF DOCUMENTARY TRANSFER TAX DUE AND REQUEST THAT AMOUNT OF TAX NOT BE MADE A PART OF THE PERMANENT RECORD IN THE OFFICE OF THE COUNTY RECORDER

To: Registrar – Recorder

County of Sacramento

Request is hereby made in accordance with Section 11932 of the Revenue & Taxation Code that the amount of tax shall be shown on this statement, which shall be affixed to the document by the recorder after the record is made and before the original is returned as specified in Section 27321 of the Government Code.

The attached Grant Deed names:

[INSERT NAME OF SELLER, a _____,
as grantor

and

[INSERT NAME OF BUYER], a _____,
as grantee

The property described in the accompanying document is located in Sacramento County, California.

The amount of tax due to the County of _____ on the accompanying document is _____ and No/100 Dollars ($_____.__) and is computed on full value of the property conveyed [**INSERT IF CITY TRANSFER TAX IS CHARGED**: , and the amount of tax due to the City of _____ on the accompanying document is _____ and No/100 Dollars ($_____.__) and is computed on full value of the property conveyed].

Please see attached signature page

STATEMENT OF DOCUMENTARY TRANSFER TAX DUE SIGNATURE PAGE

[INSERT PROPERTY INFORMATION]

IA Sacramento Holdings, L.L.C.,
a Delaware limited liability company

By: IA Sacramento Development VP, L.L.C.,
a Delaware limited liability company, its sole member

By: Inland American Real Estate Trust, Inc.,
a Maryland corporation, its sole member

By: _____
Its: _____

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

_____
_____
_____

MAIL TAX STATEMENTS TO:

_____
_____
_____

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

GRANT DEED

Documentary Transfer Tax not shown pursuant to
Section 11932 of the Revenue and Taxation Code, as amended

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, IA Sacramento Holdings, L.L.C., a Delaware limited liability company ("**Grantor**"), hereby does grant, bargain, and sell and convey unto the City of Sacramento, a municipal corporation ("**Grantee**"), the real property located in the City of Sacramento, County of Sacramento, State of California, described on Exhibit A attached hereto and made a part hereof (the "**Property**").

~~This conveyance is subject to: non-delinquent taxes and assessments; all matters of record; and any matters which could be ascertained by a proper inspection or survey of such real property.~~

IN WITNESS WHEREOF, Grantor has caused these presents to be executed as of this ___ day of _____, 2011.

Grantor:

IA Sacramento Holdings, L.L.C.,
a Delaware limited liability company

By: IA Sacramento Development VP, L.L.C.,
a Delaware limited liability company, its sole member

By: Inland American Real Estate Trust, Inc.,
a Maryland corporation, its sole member

By: _____
Its: _____

STATE OF _____)
) SS.
COUNTY OF _____)

On _____, 20__ before me, _____, a notary public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

Witness my hand and official seal.

Signature _____

(Seal)

EXHIBIT A

LEGAL DESCRIPTION

That certain parcel of land situate in the City of Sacramento in the County of Sacramento, State of California, described as follows:

EXHIBIT D

FORM OF GENERAL INSTRUMENT

GENERAL INSTRUMENT OF TRANSFER
PARCEL B AND SLIVER PARCEL
SACRAMENTO, CALIFORNIA

This General Instrument of Transfer ("**Instrument**") is made as of the __th day of _____, 20__, by and between IA SACRAMENTO HOLDINGS, L.L.C., a Delaware limited liability company with a principal place of business at 2901 Butterfield Road, Oak Brook, Illinois 60523 ("Assignor"), and City of Sacramento, a municipal corporation having a place of business at City Hall, 915 I Street, 5th Floor, Sacramento, CA ("Assignee").

In connection with the conveyance of certain property owned by Assignor within the Railyards Project, known as Parcel B and the Sliver Parcel, more particularly described on Schedule I attached hereto and made a part hereof (the "Premises"), and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants and conveys unto Assignee, all of Assignor's right, title and interest in and to such tangible personal property owned by Assignor as is set forth in Schedule II attached hereto and made a part hereof ("**Personal Property**"):

1. All appurtenances and privileges belonging to the Premises and the rights, benefits and privileges of owning and operating the same;

2. All rights, entitlements and/or approvals to develop the Premises which have been or may hereafter be granted by governmental bodies having jurisdiction or authority over the Premises, and any certificates evidencing compliance therewith;

3. All variances, conditional use permits, special permits, exceptions, rezonings, general plan amendments, parcel maps, development agreements, permits, Licenses, applications, any other governmental approvals and consents (if any) relating to the Premises;

4. All guarantees, warranties, and indemnities giving rise to any rights or benefits of Assignor in respect of the Premises and all claims and/or causes of action against contractors with respect to the Premises or any part thereof or any buildings, structures or improvements thereon, provided, however, that Assignor reserves, in common with Assignee, such rights in respect of the matters assigned in this paragraph 4 as may be necessary or convenient for Assignor's discharge of liabilities, or defense of claims, relating to the Premises which are not assigned to or assumed by Buyer in connection with the acquisition of the Premises; and

Assignee hereby accepts the foregoing transfer from Assignor.

This Instrument shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns and shall be governed by the laws of the State of California.

This Instrument may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Assignment under seal as of the date first written above.

Assignor: IA Sacramento Holdings, L.L.C., a Delaware limited liability company

By: IA Sacramento Development VP, L.L.C.,
a Delaware limited liability company, its sole member

By: Inland American Real Estate Trust, Inc.,
a Maryland corporation, its sole member

By: _____
Its: _____

Assignee: City of Sacramento, a municipal corporation

By: _____
Name: John Dangberg
Title: Assistant City Manager

Approved as to Legal Form

By:_____
Senior Deputy City Attorney
Attest:

By:_____
City Clerk

Schedule I

Description of the Premises

That certain parcel of land situate in Sacramento, California, described as follows:

Schedule II

List of the Personal Property

EXHIBIT E

FORM OF NON-FOREIGN CERTIFICATE

NON-FOREIGN CERTIFICATE
[INSERT ADDRESS]

Section 1445 of the Internal Revenue Code provides that a purchaser of a United States Property interest must withhold tax if the seller is a foreign person. To inform _____ _____("Buyer") that withholding of tax is not required upon the disposition of a United States Property interest by IA Sacramento Holdings, L.L.C., a Delaware limited liability company ("Seller"), the undersigned hereby certifies the following on behalf of Seller:

1. Seller is not a foreign person (as that term is defined in the Internal Revenue Code and Income Tax Regulations);

2. Seller's United States employer identification number is _____; and

3. Seller's office address is _____

_____

Seller understands that this certification may be disclosed to the Internal Revenue Service by Buyer and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete, and I further declare that I have authority to sign this document on behalf of Seller.

Seller:

IA Sacramento Holdings, L.L.C.,
a Delaware limited liability company

By: IA Sacramento Development VP, L.L.C.,
a Delaware limited liability company, its sole member

By: Inland American Real Estate Trust, Inc.,
a Maryland corporation, its sole member

By: _____
Its: _____