

COST SHARING AGREEMENT

This Cost Sharing Agreement (this "**Agreement**") is entered into as of September 26, 2008 (the "**Effective Date**") by among Central Station Land LLC, a California limited liability company ("**Central Station**"); HFH Central Station Village LLC, a California limited liability company ("**HFH CENTRAL STATION**"); BUILD West Oakland, LLC, a California limited liability company ("**BUILD WEST OAKLAND**"); PCL Associates, LLC, a Delaware limited liability company ("**PCL**"); 14th Street Associates, a California limited partnership ("**14th Street Associates**"), the Redevelopment Agency of the City of Oakland, a community redevelopment agency organized and existing under the California Community Redevelopment Law (the "**Agency**") and Pulte Home Corporation, a Michigan corporation ("**Pulte**") (Pulte, Central Station, HFH Central Station, BUILD West Oakland, PCL, and 14th Street Associates are each individually referred to as a "**Party**" and collectively, as the "**Parties**") in the following context:

A. The Parties separately own certain parcels of land, or have entered into agreements to purchase certain parcels of land, as more particularly described in the attached Exhibit A (each parcel owned by one Party is referred to as a "**Parcel**" and, solely for the purpose of discussing the overall site, collectively called the "**Parcels**"). The Parcels are located in an approximately twenty-eight (28) acre area in Oakland, California, known as the Wood Street Zoning District (the "**District**").

B. The City of Oakland (the "**City**") approved the District to allow development of the Parcels in accordance with Oakland Municipal Ordinances # 12673 and 12674 (together, the "**Ordinance**"), the Conditions of Approval (the "**Conditions**"), and a set of Vesting Tentative Parcel Maps, VTPM 8551, VTPM 8552, VTPM 8553, VTPM 8554, and VTPM 8555 (collectively, the "**Maps**") (collectively, the Ordinance, the Conditions and the Maps are referred to as the "**Approvals**").

C. The Approvals require, among other conditions, that the Parties complete certain infrastructure improvements described in the Approvals and located (1) in the 14th Street right-of-way between Wood Street and the I-880 frontage road in the City (the "**14th Street Right-of-Way**"), as more particularly depicted in the attached Exhibit B-1 (the "**14th Street Improvements**"); (2) in the 16th Street right-of-way between Wood Street and the I-880 frontage road in the City (the "**16th Street Right-of-Way**"), as more particularly depicted in the attached Exhibit B-2 (the "**16th Street Improvements**"); and (3) in the plaza located on the corner of 16th Street and Wood Street to the east of the train station in the City (the "**Plaza**"), as more particularly depicted in the attached Exhibit B-3 (the "**Plaza Improvements**"). The 14th Street Right-of-Way, the 16th Street Right-of-Way and the Plaza are each a separate "**Locale**" and subject to separate terms and conditions in this Agreement. Collectively, the 14th Street Improvements, the 16th Street Improvements and the Plaza Improvements are referred to as the "**Improvements**."

D. The Approvals (specifically items numbered 78, 80, and 81 of the Conditions) set forth certain requirements to determine which of the Parties (identified as "**Project Sponsors**") would be responsible for the construction of each of the

Improvements. In this Agreement, the Party determined to be responsible for the construction of the Improvements at a particular Locale pursuant to the Approvals shall be referred to as the "**Managing Party**" for that particular Locale.

E. Pursuant to the Approvals, Pulte was determined to be the Managing Party for the 14th Street Improvements and has completed construction of the 14th Street Improvements and has filed Notices of Completion for the 14th Street Improvements with the City. Collectively, the 16th Street Improvements and the Plaza Improvements shall be referred to as the "**Remaining Improvements.**"

F. Each Party is developing an independent development project on its respective Parcel. The Parties are entering into this Agreement solely to facilitate a collaborative process of designing, constructing and paying for the Improvements. The Parties intend this Agreement to memorialize procedures for sharing costs in this context.

G. The Agency purchased a parcel located on the block bounded by Wood Street, Frontage Road, 18th Street, and 20th Street (the "**Agency Parcel**") on March 27, 2008. The Agency intends to initiate a public Request for Proposals ("**RFP**") with respect to the Agency Parcel, and convey the Agency Parcel or some possessory interest in the Agency Parcel for affordable housing development to the development entity chosen through the RFP process (the "**Agency Parcel Purchaser**"). As a condition of such conveyance, the Agency intends to require the Agency Parcel Purchaser to take title to the Agency Parcel subject to the obligations of this Agreement and to enter into this Agreement as a Party. The Agency and the Parties further intend that all rights and obligations under this Agreement which relate to the Agency Parcel shall be covenants running with the Agency Parcel and shall be binding upon and inure to the benefit of the Agency Parcel Purchaser or any person or entity other than Agency who succeeds to the ownership of the Agency Parcel (Agency Parcel Purchaser or any other such owner being an "**Agency Parcel Owner**"). In anticipation of such conveyance, Agency has executed, acknowledged and delivered to the Parties a Memorandum and Agreement Concerning Cost Sharing Agreement in the form attached hereto as Exhibit H) (the "**Agency Parcel Memorandum**") Any person or entity acquiring the Agency Parcel shall become a "**Party**" for all purposes of this Agreement.

In this factual context and intending to be legally bound, the Parties and the Agency agree as follows:

SECTION 1. COST SHARING

1.1 Improvement Costs.

(a) **14th Street.** Pulte, as Managing Party for the 14th Street Improvements, has coordinated and directed the work necessary to complete the 14th Street Improvements in compliance with the Approvals. Pulte has paid invoices in a timely manner, and has diligently overseen and coordinated the design and construction

Index for San Francisco, California published by the Engineering News Record. If the ENR CCI ceases to exist, the parties shall select a substitute index or permitted percentage increase. If the Parties are unable to agree on such substitute, the parties shall use the Consumer Price Index Oakland-San Francisco-San Jose, all urban consumers, all items. The "**Percentage Increase**" shall be measured from the April, 2008 ENR CCI to the most current ENR CCI as of the date which is one hundred eighty (180) days prior to commencement of the 16th Street Improvements or the Plaza Improvements, as applicable. The obligation of the Parties to pay Improvement Costs in excess of the Maximum Pre-Approved Cost for Improvements for either the 16th Street Improvements or the Plaza Improvements shall be subject to the procedures set forth below.

If the Managing Party determines that the Improvement Costs for the applicable Locale will exceed the Maximum Pre-Approved Cost for such Locale, Managing Party shall notify the other Parties in writing, which notice shall include the likely schedule and cost estimate based upon at least three bona fide bids for each major trade involved in the Improvements, (a "**Increased Improvements Cost Notice**"). The cost increase shall be discussed at the next scheduled Planning Meeting, or the Managing Party or any other Party may call an Emergency Planning Meeting or Meetings to address the Increased Improvements Cost Notice. Any Party who chooses to object to the Increased Improvements Costs (an "**Objecting Party**") must raise its objection at the Planning Meeting where the cost increase is discussed for approval. An Objecting Party may, but is not required to, notify the other Parties of its objection in writing prior to the Planning Meeting. If any Party objects to the costs set forth in the Increased Improvements Cost Notice, the parties shall confer in good faith to explore the reasons for the increase and the possibility of value engineering in order to reduce the Improvements Costs. If, after conferring with the other Parties and using commercially reasonable efforts to achieve a reduction in the Improvements Costs through value engineering or otherwise, Managing Party determines in good faith that the Improvements Costs cannot be reduced to the Maximum Pre-Approved Cost, the Managing Party shall so notify the other Parties, which notice shall set forth the projected Improvement Costs and the reasons for Managing Party's determination. If the projected Improvement Costs set forth in Managing Party's notice are not objected to by Parties holding more than 50% of the Percentage Shares of the Costs for the applicable Locale, then the Managing Party shall proceed to construct the applicable Improvements and each Party shall be obligated to pay its Percentage Share of the Improvement Costs set forth in such notice in accordance with the terms of this Agreement. If Parties holding more than 50% of the Percentage Share for the applicable Locale dispute the projected Improvement Costs set forth in Managing Party's notice, Managing Party may either submit such dispute to mediation pursuant to Section 7.2 (without the need for the meeting referred to in Section 7.1) or directly to arbitration pursuant to Section 7.3.

1.2 Allocation of Improvement Costs.

(a) **14th Street.** All 14th Street Improvement Costs shall be shared between the Parties as follows: BUILD West Oakland shall pay 27.63%, HFH Central

(ii) No less than 90 days before the proposed date for commencement of the 16th Street Improvements, the Managing Party for the 16th Street Improvements shall establish an interest bearing checking account to pay the 16th Street Improvement Costs (the "**16th Street Account**") and shall provide the Parties with the account number and financial institution information for the 16th Street Account. Costs associated with the establishment and maintenance of the 16th Street Account shall be included as a 16th Street Improvement Cost; however, penalties and fees associated with the 16th Street Account incurred by the Managing Party for the 16th Street Improvements and attributable solely to the error or negligence of the Managing Party for the 16th Street Improvements shall not be included as a 16th Street Improvement Cost.

(c) **Plaza.**

(i) Each Party shall pay its respective Plaza Percentage Share of progress payments based on the percentage of work completed within thirty (30) days after billing from the Managing Party. Such billing shall be accompanied by invoices and other supporting information reasonably requested by the other parties, provided that Managing Party shall not be required to provide a certificate of completion from an architect. The Managing Party shall not bill more frequently than once per month. Such payments may be made by electronic deposit directly into the Plaza Account (as defined below in Section 1.3(d)(ii)) or by check payable to the Plaza Account. Such monthly payments shall be automatically due pursuant to the Plaza Payment Schedule and no notice or request for such payment shall be required. From the Plaza Account, the Managing Party for the Plaza Improvements shall pay the Plaza Improvement Costs invoices and costs in a timely manner to ensure that work on the Plaza Improvements continues in a timely and efficient manner.

(ii) No less than 90 days before the proposed date for commencement of the Plaza Improvements, the Managing Party for the Plaza Improvements shall establish an interest bearing checking account to pay the Plaza Improvement Costs (the "**Plaza Account**") and shall provide the Parties with the account number and financial institution information for the Plaza Account. Costs associated with the establishment and maintenance of the Plaza Account shall be included as a Plaza Improvement Cost; however, penalties and fees associated with the Plaza Account incurred by the Managing Party for the Plaza Improvements and attributable solely to the error or negligence of the Managing Party for the Plaza Improvements shall not be included as a Plaza Improvement Cost.

1.4 Non-Approved Costs for Remaining Improvements.

(a) **Required Additional Work.** The Managing Party for the Improvements of a particular Locale may, pursuant to the provisions of this Section 1.4(a), propose any unforeseeable additional work or change order to any of the improvements that is (i) required by a governmental agency, or (ii) required to complete the particular Improvements in order to receive acceptance or approval from the City

requirement to remediate hazardous material contamination in any of these Locales, each Party shall share the cost of the required remediation as an Improvement Cost in accordance with its Percentage Share for the particular Locale and the Managing Party for the affected locale shall be responsible for coordinating and directing the work necessary to complete the remediation.

1.5 Step-In Rights. Subject to Force Majeure Events, as defined in Section 8.2, in the event that a Managing Party (a "**Non-Performing Managing Party**") fails to diligently design and construct or to diligently oversee and coordinate the design and construction of the Improvements at its Locale or to pay timely for invoiced work related to the Improvements at its Locale (the "**Managing Party's Obligations**") in accordance with this Agreement, then any of the other Parties may raise the issue of Non-Performing Managing Party's non-performance at a Planning Meeting pursuant to Section 3 of this Agreement. In the event the Non-Performing Managing Party fails to commence curing the non-performance by the deadline agreed upon at the Planning Meeting, any Party may, upon notice delivered to the Non-Performing Managing Party at the Planning Meeting directly following the expiration of the agreed upon timeline, elect to assume the responsibility for the Managing Party's Obligation in question. Notwithstanding anything to the contrary contained herein, if any Party assumes the Managing Party's Obligations hereunder and fails to complete the construction of the Managing Party's Obligations, then any Party, including the Non-Performing Managing Party, shall have the same rights that the other Parties have under this Agreement to step-in and complete the Managing Party's Obligations.

1.6 Additional Costs Incurred by BUILD. BUILD has incurred certain costs in connection with the salvaging of track structure pieces that were incorporated into the pocket park on 14th Street and in performing track demolition over 16th Street. The Parties have been invoiced for those costs and agree to reimburse BUILD the balance owed by such Parties for those costs concurrently with the execution and delivery of this Agreement as follows:

14th Street Associates shall pay to BUILD \$163,246.19; Central Station shall pay to BUILD \$31,031.10; HFH CENTRAL STATION shall pay to BUILD \$90,172.03; PCL shall pay to BUILD \$11,968.49; and Pulte shall pay to BUILD \$16,438.64.

SECTION 2. TERM

The term of this Agreement shall start on the Effective Date. The rights and obligations of the Parties with respect to the Improvements for each Locale shall terminate with respect to the particular Locale, and only that particular Locale, when (1) the Improvements for the particular Locale are finally completed as evidenced by final permit signoff by the City department or agency responsible for issuance of any and all permits necessary for construction of the Improvements for the particular Locale in compliance with the approvals and (2) each Party has paid all of its respective Percentage Share for the Improvements for the particular Locale.

3.4 No Partnership or Joint Venture. Nothing contained in this Agreement shall be construed in a manner, or is intended to create, any relationship between or among any of the Parties other than that of independent owners of non-dependent Parcels who are sharing costs for the Improvements, the construction of which are conditions to City Approvals. No Party to this Agreement (or any combination of any of the Parties) shall be considered partners or joint venturers of any other Party to this Agreement, for any purpose, on account of this Agreement. Each Party acknowledges that each Representative of a Party is not and shall not be regarded as an agent or employee of any other Party by virtue of his or her actions or role pursuant to this Agreement.

SECTION 4. ASSIGNMENT; GUARANTIES

4.1 Assignment. Any Party may assign any of its rights and obligations under this Agreement to a third party, whether or not such a third party is assuming an ownership interest in a Party's Parcel(s), subject to the terms and conditions set forth in this Section 4.

(a) **Assignment To Transferee.** An assignment to a transferee of all or a portion of the Party's Parcel(s) shall not require the consent of the other Parties provided that such assignment shall be limited to the rights and obligations attributable to the Parcel or portion thereof so transferred

(b) **Assignment to Non-Transferee.** Other than in connection with the transfer of a Parcel, no Party shall assign, transfer or otherwise dispose of this Agreement in whole or in part, or delegate its obligations hereunder, to any third party without the prior written consent of each of the Parties, which consent may be withheld in the sole discretion of such Parties.

(c) **Assignment Agreement.** No assignment of this Agreement will be valid unless and until the assigning Party and the Party's assignee deliver to the other Parties a duly executed assignment and assumption agreement, substantially in the form attached as Exhibit E, which provides that the Party's assignee assumes all of the assigning Party's obligations under this Agreement, including, without limitation, the obligation to pay the Percentage Share of Improvement Costs related to the Parcel or portion of Parcel transferred to the Party's assignee and that the Party's assignee shall maintain full and faithful observance and performance of the covenants, terms and conditions contained in this Agreement (the "**Assignment Agreement**").

(d) **Release of the Assignor.** No assignment of rights or obligations under this Agreement to a third party shall operate to release the assigning Party of its obligations under this Agreement, and the assigning Party shall remain fully liable to the other Parties hereunder for all obligations under this Agreement regardless of the Assignment. Notwithstanding the foregoing, however, the assigning Party who has assigned its obligations hereunder to a transferee of its Parcel shall be released from all obligation hereunder if, in addition to the Assignment Agreement, the assigning Party obtains from the third party assignee, and delivers to the other Parties either one of the

further acknowledge, however, that this Agreement shall be binding upon the Agency Parcel and the Agency Parcel Purchaser or any other Agency Parcel Owner regardless of whether Agency Parcel Purchaser or any Agency Parcel Owner executes such Amendment. Any agreement to convey title to or a possessory interest in the Agency Parcel between the Agency and the Agency Parcel Purchaser shall include a provision or provisions requiring that the Agency Parcel Owner be bound by this Agreement. In the event that the 16th Street Improvements and/or the Plaza Improvements are installed prior to the Agency Parcel Purchaser acquiring title to or a possessory interest in the Agency Parcel, the Agency Parcel Purchaser shall be obligated to pay its Percentage Share of the cost of the improvements on a reimbursement basis to the Managing Party within fifteen (15) days of acquiring title.

SECTION 6. DEFAULT

6.1 Events of Default. Any one or more of the following acts, events or omissions by or involving a Party (the "**Defaulting Party**") shall be deemed an "**Event of Default**" under this Agreement:

- (a) The Party becomes insolvent or files for bankruptcy;
- (b) The Party fails to make a payment required under Section 1; and
- (c) The Party breaches or fails to comply with any other material term or provision of this Agreement.

6.2 Notice and Cure.

- (a) A default under Section 6.1(a) may not be cured.
- (b) The Defaulting Party under Section 6.1(b) shall have a grace period of five business days in which to pay the sums owed.
- (c) The Defaulting Party shall have a grace period of 30 days in which to cure the default under Section 6.1(c) after being informed of the default at a Planned Meeting or, if the nature of the default is such that cure within 30 days is not possible, the Defaulting Party shall have 30 days after such Planned Meeting within which to commence curing the default; the failure to diligently pursue a cure shall constitute a default for which there is no cure. The other Parties shall reasonably accept the cure offered by the Defaulting Party.

SECTION 7. INDEMNITY

Each Party shall indemnify, defend and hold the other Parties harmless from and against any and all claims, demands, liabilities, costs, damages, expenses, and causes of action of any nature whatsoever arising out of or incidental to any actions or omissions or willful misconduct of the indemnifying Party with respect to any injury to persons or property or any claim arising under any construction contract or other contract for work or materials arising in connection with its construction activity under

(a) Binding arbitration (the "**Arbitration**"), shall be conducted by JAMS or other agreed upon arbitrator. Any Party may initiate the Arbitration by written notice to the other Parties within fifteen (15) days following the Mediation described in Section 8.2.

(b) The arbitrator shall be a retired California Superior Court or Court of Appeal judge or other arbitrator, selected by mutual agreement of the Parties, and if they cannot agree within 15 days after the Arbitration notice, the arbitrator shall be selected through the procedures regularly followed by JAMS. The Arbitration shall be held in Emeryville, California, within fifteen (15) days after the arbitrator is selected, or a longer period as the Parties and the arbitrator mutually decide.

(c) The Parties shall be entitled to conduct discovery, as may be reasonably limited by the arbitrator, under the California Code of Civil Procedure. Any disputes concerning discovery shall be submitted to the arbitrator and attorneys' fees will be awarded to the party prevailing in the discovery dispute, regardless of which party ultimately prevails in the Arbitration.

(d) The arbitrator shall have the power to grant all legal and equitable remedies and award damages in the Arbitration to the full extent permitted by law. Judgment on the award made by the arbitrator may be entered in any court having jurisdiction over the Dispute.

(e) Nothing in this Section 8 shall limit a Party's right to seek an injunction or restraining order from a court of competent jurisdiction in circumstances where such relief is deemed necessary to preserve assets.

(f) The fees and costs of the Arbitration shall be borne as determined by the arbitrator as set forth in the arbitrator's award. The expenses of witnesses shall be borne by the party producing the witnesses. The prevailing party in the Arbitration shall be entitled to receive from the non-prevailing party, in addition to any other award, reasonable attorneys' fees and costs incurred in connection with the Arbitration.

NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

Central Station Initials

BUILD West Oakland
initials

HFH initials

PCL initials

14th Street Associates
initials

AC

Pulte initials

SECTION 9. MISCELLANEOUS

9.1 Governing Law. This Agreement and the rights of the Parties shall be governed by, interpreted, and enforced in accordance with the internal laws of the State of California without regard for conflict of law provisions.

9.2 Force Majeure. Performance under this Agreement by the Parties, other than the obligation to make payments of money due, shall be excused in the event that such performance is prevented by strikes, labor disputes or disturbances, fires, inclement weather, earthquakes, lightning, explosions, acts of God or the public enemy, war or terrorism ("**Force Majeure Events**"), provided that performance will be resumed within a reasonable time after such Force Majeure Event is removed, and provided further that no Party to this Agreement shall be required to settle any labor disputes against its will. If a Party's performance is delayed by any Force Majeure Event, such Party shall give the other party written notice of such Force Majeure Event within ten (10) business days after learning of such Force Majeure Event.

9.3 Attorneys' Fees. If any legal action or other proceeding is commenced to enforce or interpret any provision of, or otherwise relating to, this Agreement, the losing party or parties shall pay the prevailing party's or parties' actual expenses incurred in the investigation of any claim leading to the proceeding, preparation for and participation in the proceeding, any appeal or other post judgment motion, and any action to enforce or collect the judgment including without limitation contempt, garnishment, levy, discovery and bankruptcy. For this purpose "expenses" include, without limitation, court or other proceeding costs and experts' and attorneys' fees and their expenses. The phrase "prevailing party" shall mean the party who is determined in the proceeding to have prevailed or who prevails by dismissal, default or otherwise.

9.4 Terms. The Parties mutually acknowledge that they and their attorneys have participated in the preparation and negotiation of this Agreement. In cases of uncertainty this Agreement shall be construed without regard to which of the Parties caused the uncertainty to exist.

9.5 Headings. All headings are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

9.6 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under the present or future laws effective during the term of this Agreement, the provision will be fully severable; this Agreement will be construed and enforced as if the illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of the illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a provision as similar in terms to the illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

9.7 Counterparts. This Agreement may be executed in multiple identical counterparts, each of which shall be deemed an original, and counterpart signature pages may be assembled to form a single original document. Furthermore, this Agreement may be executed and delivered by the exchange of electronic facsimile copies or counterparts of the signature page, which facsimile copies or counterparts shall be binding upon the Parties.

9.8 Further Assurances. Each Party shall, at its own expense, execute, acknowledge and deliver such additional documents and instruments reasonably requested by another Party and shall perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and the transactions contemplated by this Agreement.

9.9 No Third Party Beneficiary. This Agreement is made solely and specifically among and for the benefit of the Parties, and their respective successors and assigns subject to the express provisions relating to successors and assigns, and no other Person will have any rights, interest or claims or be entitled to any benefits under or on account of this Agreement as a third party beneficiary or otherwise.

9.10 Notices. All notices, consents, requests, demands or other communications to or upon the respective Parties and the Agency shall be in writing and shall be effective for all purposes upon receipt on any business day before 5:00 PM local time and on the next business day if received after 5:00 PM or on other than a business day, including without limitation, in the case of (i) personal delivery, (ii) delivery by messenger, express or air courier or similar courier, (iii) delivery by United States first class certified or registered mail return receipt requested, postage prepaid and (iv) transmittal by telecopier or facsimile, addressed to the following addresses:

BUILD West
Oakland:

BUILD West Oakland LLC
345 Spear Street, Suite 700
San Francisco, CA 94105

9.11 Amendments. Any amendment to this Agreement shall be in writing, dated and signed by the all Parties and the Agency. If any conflict arises between the provisions of the amendment, or amendments, and the terms of this Agreement, the most recent provisions shall govern and control.

9.12 Waiver. No waiver of any obligations under this Agreement will be enforceable or admissible unless set forth in a writing signed by the Party against which enforcement or admission is sought. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted shall apply solely to the specific instance expressly stated.

9.13 Entire Agreement. This Agreement and the exhibits contain the entire understanding between the Parties and supersede any prior written or oral agreements between them regarding the same subject matter. There are no representations, agreements, arrangements or understandings, oral or written, between the Parties relating to the subject matter of this Agreement which are not fully expressed in this Agreement and related written agreements of the same date.

9.14 Exhibits. The following exhibits attached to this Agreement shall be deemed to be a part of this Agreement and are fully incorporated by reference:

Exhibit A	Parcels
Exhibit B-1	14th Street Improvements
Exhibit B-2	16th Street Improvements
Exhibit B-3	Plaza Improvements
Exhibit C-1	14th Street Improvement Costs
Exhibit C-2	16th Street Improvement Costs
Exhibit C-3	Plaza Improvement Costs
Exhibit D	Intentionally Omitted
Exhibit E	Form Assignment and Assumption Agreement
Exhibit F	Form Memorandum of Cost Sharing Agreement
Exhibit G	Form Guaranty
Exhibit H	Form Agency Parcel Purchaser Memorandum
Exhibit I	Form Agency Parcel Purchaser Addendum

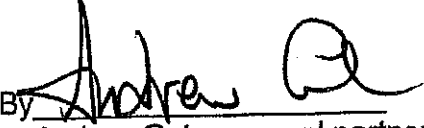
The Parties and the Agency have executed this Cost Sharing Agreement as of the date written above.

Central Station Land LLC, a California
limited liability company

By: 
Richard M. Holliday, Manager

HFH Central Station Village LLC, a
California limited liability company

By: HFH Ltd., a California limited
partnership, its sole member

By 
Andrew Getz, general partner

Build West Oakland, LLC, a California limited liability company

Pulte Home Corporation, a Michigan corporation

By: BRIDGE Urban Infill Land Development LLC, a Delaware limited liability company, its sole member

By: [Signature]

ANDY COST
LAND DEVELOPMENT MANAGER

By: BRIDGE Infill Development, Inc., a California corporation, its Manager

By: [Signature]
Carol Galante, President

PCL Associates, LLC, a Delaware limited liability company

14th Street Associates, a California limited partnership

By: Richard M. Holliday, Manager

By: BRIDGE Tower LLC, a California limited liability company, its general partner

By: Northpoint Housing, Inc., a California nonprofit public benefit corporation, its sole member

By: [Signature]
Carol Galante, President

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

By: Agency Administrator

Approved as to form and legality:

By: Agency Counsel

Exhibit B-2 16th Street conceptual improvement plan

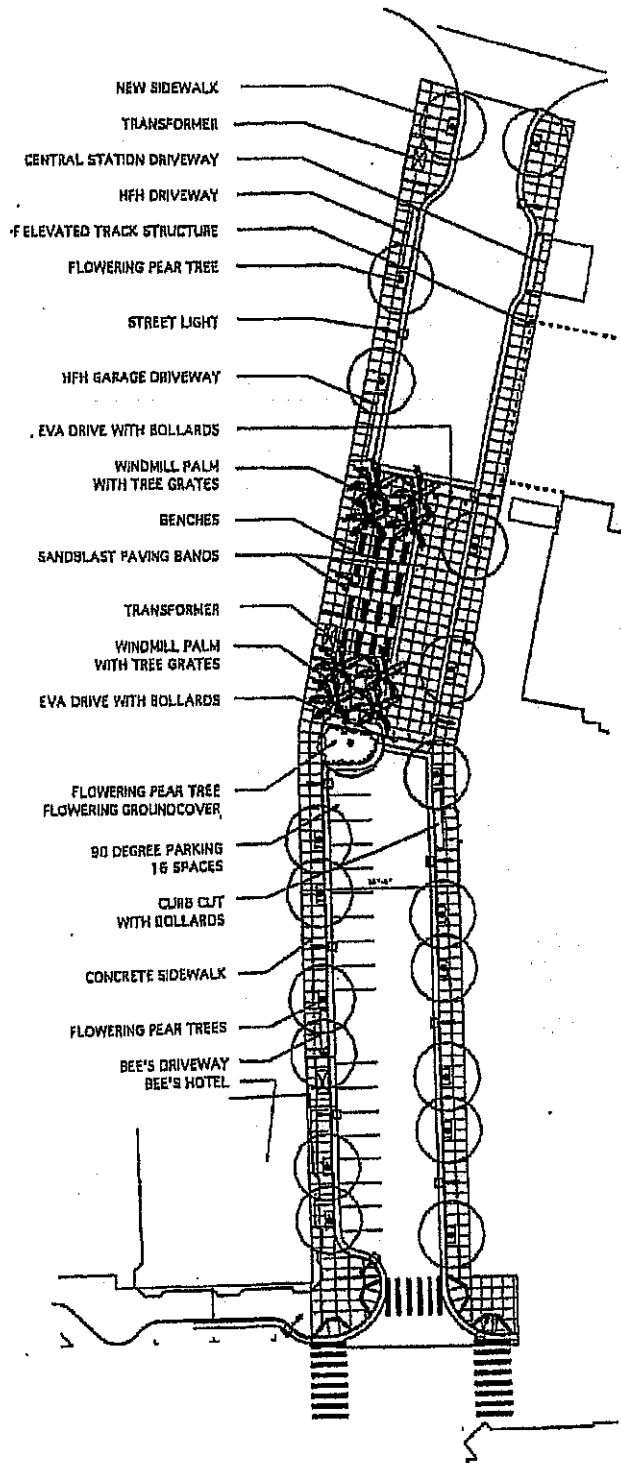


EXHIBIT C-1

Soft Costs - 14th St	Committed
Civil Engineering - Sands	\$51,000
Joint Trench Consultant - Giacalone	\$19,200
Planning Consultant - F.J. Kennedy	\$7,290
Utility Consultant - Zeiger	\$3,732
Landscape Architect - Miller & Assoc	\$64,500
Structural Engineer - Tipping Mar	\$18,900
Geotech Observation & Testing	\$45,000
Staking - CEA	\$28,045
Potholing - Subtronics	\$4,450
City Processing & Permit Fees	\$3,265
3rd Party Inspection Fees - Terrasearch	\$5,282
PG&E Contracts - Gas & Electric	\$128,219

Hard Costs - 14th St	
Demolition	\$75,835
Sanitary/Storm Systems	\$357,699
Joint Trench	\$471,778
Grading	\$35,804
SWPPP	\$2,897
Water System	\$55,560
Paving/Curb & Gutter	\$235,848
Signage & Striping	\$6,638
Remediation	\$136,754
Landscaping	\$552,688
Canopy Demo/Salvage	\$108,915

Total All Improvements **\$2,419,299**

**Exhibit C-3
Plaza improvement cost estimate**

Mobilization and Layout			
Mobilization and Layout			\$15,000
		<i>Sub-Total</i>	\$15,000
Site Work			
Demolition			\$41,818
Earthwork			\$19,602
Paving			\$130,680
Curb and Gutter			\$30,000
Sanitary Sewer			\$0
Storm Drainage			\$100,000
Street Scaping			\$50,000
Erosion Control/C.3			\$6,000
Site Concrete			\$15,000
Site Furnishings			\$40,000
Irrigation (Includes \$5,000 water meter)			\$20,000
Planting			\$30,000
		<i>Sub-Total</i>	\$483,100
Lighting - Sandis			
Street Lighting (Includes trenching)			\$100,000
		<i>Sub-Total</i>	\$100,000
Environmental Testing, Supervision and Remediation			
Contaminated spoils testing & remediation			\$15,000
		<i>Sub-Total</i>	\$15,000
General Conditions/Contingency/Escalation			
	2 yrs until beg.	Total costs	\$613,100
	10%	Design Contingency	\$61,310
	15%	General Conditions	\$91,965
	3%	Escalation	\$36,786
		<i>Sub-Total</i>	\$803,160
Utility Direct Contracts - Giacalone & Sandis			
PG & E Contract Costs			\$30,000
PG & E Electrical System			\$30,000
EBMUD Contract - Relocate/Install Fire Hydrants			\$20,000
		<i>Sub-Total</i>	\$80,000
Consultant Contracts for Design			
Civil - Design through construction documents			\$30,000
Civil - Hydrology Study			\$5,000
Landscape Architect			\$60,000
Soil Study			\$5,000
		<i>Sub-Total</i>	\$100,000
Fees			
City Fees			\$30,000
		<i>Sub-Total</i>	\$30,000
Total All Improvements			\$1,013,160

-DRAFT January 31, 2008

Section 2. Assumption

Assignee assumes all of Assignor's rights and obligations under the Cost Sharing Agreement, including but not limited to the obligation to pay its Percentage Share of the Improvements [and its obligations as Managing Party for the _____ Improvements].

Section 3. Successors and Assigns.

Assignee shall not assign its rights and obligations under this Agreement or under the Cost Sharing Agreement except as permitted under the Cost Sharing Agreement. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns

Section 4. Further Assurances.

Each party shall, at its own expense, execute, acknowledge and deliver such additional documents and instruments reasonably requested by the other party and shall perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and the transactions contemplated by this Agreement

Section 5. Notices.

All notices, consents, requests, demands or other communications to or upon the respective Parties shall be in writing and shall be effective for all purposes upon receipt on any business day before 5:00 PM local time and on the next business day if received after 5:00 PM or on other than a business day, including without limitation, in the case of (i) personal delivery, (ii) delivery by messenger, express or air courier or similar courier, (iii) delivery by United States first class certified or registered mail return receipt requested, postage prepaid and (iv) transmittal by telecopier or facsimile, addressed to the following addresses:

If to Assignor:

Attn: _____
Telephone: _____
Facsimile: _____

If to Assignee:

Attn: _____

This Agreement may be executed in multiple identical counterparts, each of which shall be deemed an original, and counterpart signature pages may be assembled to form a single original document. Furthermore, this Agreement may be executed and delivered by the exchange of electronic facsimile copies or counterparts of the signature page, which facsimile copies or counterparts shall be binding upon the Parties.

The Parties have executed this Assignment and Assumption Agreement as of the Effective Date.

ASSIGNOR

ASSIGNEE

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

Covenants Running with the Land. The Parties expressly intend that the rights and obligations of [] under the Cost-Sharing Agreement shall be equitable servitudes and covenants running with and benefiting and burdening the Property, and that all successor owners of the Property shall be bound by the covenants contained therein. The rights of the Other Parties to enforce the obligations of _____ under the Cost-Sharing Agreement shall inure to the benefit of such Other Parties, the real property owned by such other Parties and referred to in the Cost-Sharing Agreement, and all successor owners of such property. All terms and provisions of the Cost-Sharing Agreement are incorporated in this Agreement by this reference.

2. Enforcement by Lien. Any of the Other Parties may enforce the obligations of _____ under the Agreement and shall have all remedies available under the Agreement, hereunder, at law or in equity, including, without limitation, the right to record a lien against the Property to secure payment of all sums due from _____ under the Agreement. Any such lien is subject and subordinate to any bona fide mortgage or deed of trust encumbering any portion of the Property at the time such notice of lien is recorded, and any purchaser at any foreclosure or trustee's sale (as well as any grantee by deed in lieu of foreclosure or trustee's sale) under any such mortgage or deed of trust takes title free and clear of any such lien, but otherwise subject to all of terms, conditions and obligations of _____ under the Cost-Sharing Agreement. Any such lien shall be prior and superior to any lien recorded subsequent to the recordation of such notice of lien. Any such lien may be enforced by suit or action in any court of competent jurisdiction or by sale under power of sale, judicial foreclosure or in any other manner allowed by law

3. Mortgagee Protection. Breach of any restriction or other provision of this Agreement does not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but _____ of the restrictions and other provisions of this Agreement are binding and effective against any owner whose title is acquired by foreclosure, trustee's sale or otherwise.

4. Termination. Upon termination of the Cost-Sharing Agreement, upon request by _____, the Parties shall execute in recordable form a termination agreement evidencing the termination of and release of the Property from this Agreement .

IN WITNESS WHEREOF, the Parties have executed this Memorandum and Agreement Concerning Cost-Sharing Agreement as of the date first written above.

[Signature blocks to be added].

has been given to the Obligor and to Guarantor and the Obligor has failed to cure the default under the Agreement.

5. Guarantor authorizes the Parties, without notice or demand, and without affecting Guarantor's liability under this Guarantee, from time to time (a) without the consent of Guarantor, to change any of the terms, covenants, conditions, or provisions of the Agreement, or amend, modify, change, or supplement the Agreement; and (b) grant extensions of time or otherwise delay the enforcement of any of the Guaranteed Obligations. The Parties may assign this Guarantee, in whole or in part, in connection with an assignment of an interest in the Parcels pursuant to the Agreement. Guarantor shall not assign this Guarantee without the prior written consent of the Parties which consent may be granted or denied in the Parties' sole discretion.

6. Guarantor waives any right to require the Parties to: (a) proceed against the Obligor; and, (b) pursue any other remedy in their power whatsoever. Guarantor waives any defense arising by reason of the disability of the Obligor or by reason of the cessation from any cause whatsoever of the liability of the Obligor, other than the running of the statute of limitations. Until the performance of all of the terms, covenants, and conditions of the Guaranteed Obligations required to be kept, observed, or performed by the Obligor, Guarantor waives any right of subrogation, and waives any right to enforce any remedy which the Parties now have or may hereafter have against the Obligor.

7. Guarantor represents, warrants and covenants to the Parties that:

(a) Guarantor is a duly formed limited liability company validly existing and in good standing under the laws of the State of Delaware.

(b) Guarantor has full power and authority to enter into and perform the obligations to be performed by Guarantor under this Guarantee, Guarantor has obtained all consents and approvals requisite to the performance of those obligations, and this Guarantee has been properly executed and delivered by it and constitutes the valid and binding obligation of Guarantor enforceable against it in accordance with its terms.

(c) Guarantor's execution and delivery of, and performance under, this Guarantee do not conflict with, and will not result in a breach of, any of the terms, conditions, or provisions of, or constitute a default under, any indenture, agreement, order, judgment, or other instrument to which Guarantor is a party or by which it is bound.

(d) There are no pending or, to the knowledge of Guarantor, threatened actions or proceedings before any court or administrative agency that are likely to materially affect the ability of Guarantor to perform its obligations under this Guarantee.

(e) Guarantor will use its best efforts to ensure its continued existence and good standing.

Exhibit H

AGENCY PARCEL MEMORANDUM

Recording Requested by and
When Recorded Return to:

BRIDGE Urban Infill Land Development LLC
345 Spear Street, Suite 700
San Francisco, CA 94105
Attn: Rebecca V. Hlebasko

MEMORANDUM AND AGREEMENT CONCERNING COST-SHARING AGREEMENT

THIS MEMORANDUM AND AGREEMENT CONCERNING COST-SHARING AGREEMENT is made and entered into as of _____, 2008 by and among the Redevelopment Agency of the City of Oakland, a community redevelopment agency organized and existing under the California Community Redevelopment Law ("**Agency**"), Central Station Land LLC, a California limited liability company, ("**Central Station**"), HFH Central Station Village LLC, a California limited liability company ("**HFH**"), PCL Associates, LLC, a Delaware limited liability company ("**PCL**"), BUILD West Oakland LLC, a California limited liability company ("**BUILD West Oakland**"), and 14th Street Associates, a California limited partnership ("**14 Street Associates**"). Central Station, HFH, BUILD West Oakland, PCL and 14th Street Associates are each referred to herein individually, as a "**Party**" and collectively, as the "**Parties**").

RECITALS

A. The parties and Agency have entered into that certain Cost-Sharing Agreement dated _____, 2008 (the "**Cost-Sharing Agreement**") with respect to certain improvements related to the development of the property owned described on Exhibit A (the "**Agency Property**") and the real property owned by the Parties as described in the Cost Sharing Agreement. Agency intends to convey the Agency Parcel to an independent developer as part of an RFP process to be conducted by Agency. Any party which acquires the Agency Parcel is referred to herein as the "**Agency Parcel Owner**".

B. The Cost-Sharing Agreement establishes certain rights and obligations of the Parties and Agency Parcel Owner with respect to the construction of certain infrastructure improvements required in connection with development of the Property and the other property described in the Cost-Sharing Agreement and payment of the costs of such construction.

C. The Parties desire to enter into this Agreement to establish that the rights and obligations of Agency Parcel Owner shall run with, benefit and burden the Agency Property and shall inure to the benefit of the Parties hereto.

BUILD West Oakland, LLC, a California limited liability company

By: BRIDGE Urban Infill Land Development LLC, a Delaware limited liability company, its sole member

By: BRIDGE Infill Development, Inc., a California corporation, its Manager

By: _____
Carol Galante, President

PCL Associates, LLC,
a Delaware limited liability company

By: _____
Richard M. Holliday, Manager

Pulte Home Corporation, a Michigan corporation

By: _____
Name and Title: _____

14th Street Associates,
a California limited partnership

By: BRIDGE Tower LLC, a limited liability company, its general partner

By: Northpoint Housing, Inc., a California nonprofit public benefit corporation, manager/member

By: _____
Carol Galante, President

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

By: _____
Agency Administrator

Approved as to form and legality:

By: _____
Agency Counsel

EXHIBIT A

Property Description

The following real property located in the City of Oakland, County of Alameda, State of California described as follows:

Parcel D as shown on Parcel Map 8066, filed December 2, 2002 in Book 268 of Parcel Maps, Pages 50 through 52, Alameda County Records.

Excepting therefrom all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered, including, without limiting the generality of the foregoing, oil and gas and rights thereto, together with the sole exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to Grantor, its successors and assigns, but without entering upon or using the surface of the Property, and in such manner as not to damage the surface of said lands or to interfere with the use thereof by Grantee, its successors or assigns; provided, however, that Grantor, its successors and assigns, shall not conduct any mining activities of whatsoever nature above a plane five hundred feet (500') below the surface of the Property, as reserved by &Union Pacific Railroad Company in the Grant Deed recorded December 15, 2000 as Instrument No. 20000366393 of Official Records.