

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

GIBSON, DUNN & CRUTCHER LLP
2029 Century Park East
Los Angeles, California 90067
Attention: Jesse Sharf

(Space Above For Recorder's Use)

ASSIGNMENT AND ASSUMPTION AGREEMENT

This **ASSIGNMENT AND ASSUMPTION AGREEMENT** ("Agreement") is entered into as of March ___, 2015 by and between the CITY OF MILPITAS, a municipal corporation in the State of California ("City"), BRE/MILPITAS L.L.C., a Delaware limited liability company ("Blackstone") and HUDSON CAMPUS CENTER, LLC, a Delaware limited liability company ("Hudson"). Blackstone and Hudson are collectively referred to herein as the "Parties."

RECITALS

A. On March 21, 2000, the City Council adopted Ordinance 38.755 approving a development agreement (as amended by the First Amendment (as defined below), the "Development Agreement") pursuant to Government Code § 65864, *et seq.*, by and between the City and Muriel M. Harris and Joseph A. McCarthy, each as trustees of the MGM Revocable Trust, dated December 14, 1982, as amended, and of the RIM Revocable Trust, dated February 12, 1982, as amended ("McCarthy"). The Development Agreement was recorded in the Santa Clara County Recorder's Office on May 1, 2000 as Document No. 15230737. The Development Agreement vested certain development rights in certain property commonly referred to as the McCarthy Ranch Property ("Property") including, but not limited to, the right to development of the Property pursuant to the adopted General Plan and zoning designations, and in conformance with the McCarthy Ranch Design Guidelines and Development Standards dated March 7, 2000 (the "Design Guidelines"), as said rights are more specifically described in the Development Agreement. The Development Agreement, General Plan designation, zoning designation, and Design Guidelines are collectively referred to as the "Project Approvals."

B. On July 6, 2000, the City, McCarthy, and Veritas Operating Corporation, a Delaware corporation ("Veritas") entered into that certain Partial Assignment and Assumption Agreement, and Certificate of Partial Satisfaction (the "McCarthy Assignment"), whereby McCarthy assigned to Veritas all of its rights in the Development Agreement relating to the vesting of the Project Approvals as applicable to approximately 65 acres of the Property which is described on Exhibit A attached hereto, and incorporated herein by this reference (the "Blackstone Parcel"). The City consented to the McCarthy Assignment. The McCarthy Assignment was recorded in the Santa Clara County Recorder's Office on July 31, 2000 as Document No. 15337875.

C. On August 15, 2000, the City, Veritas, and Wells Fargo Bank Northwest, National Association, formerly known as and successor to First Security Bank National Association, a national banking association, not individually but solely as the Owner Trustee under the VS Trust 2000-2 (“Owner Trustee”) entered into that certain Assignment and Assumption Agreement, recorded on October 30, 2000 as Document No. 15438291 (the “Veritas Assignment”), whereby Veritas assigned to Owner-Trustee all of its rights in the Development Agreement relating to the vesting of the Project Approvals as applicable to the Blackstone Parcel. The City consented to the Veritas Assignment.

D. On September 19, 2006, the City, Veritas and Owner Trustee entered into that certain Assignment and Assumption Agreement, recorded October 6, 2006 as Document No. 19133726 (the “Owner-Trustee Assignment”), whereby Owner Trustee assigned to Veritas all of its rights in the Development Agreement relating to the vesting of the Project Approvals as applicable to the Blackstone Parcel. The City consented to the Owner Trustee Assignment.

E. On September 19, 2006, the City, Veritas and Blackstone entered into that certain Assignment and Assumption Agreement and Certificate of Partial Satisfaction, recorded July 31, 2000 as Document #19133727 (the “Second Veritas Assignment”), whereby Veritas assigned to Blackstone all of its rights in the Development Agreement relating to the vesting of the Project Approvals as applicable to the Blackstone Parcel. The City consented to the Second Veritas Assignment.

F. On March 23, 2009, the City and Blackstone entered into that certain First Amendment to McCarthy Development Agreement, recorded June 2, 2009 as Document #20277017 (the “First Amendment”), which affected only the Blackstone Parcel.

G. Blackstone intends to sell the Blackstone Parcel to Hudson.

H. Section 9 of the Second Veritas Assignment provides that Blackstone may assign any of its interests in the Development Agreement to a successor-in-interest as owner of the Blackstone Parcel with the written consent of the City.

I. Blackstone has agreed to assign to Hudson its interest in the Development Agreement as to the Blackstone Parcel, in conjunction with the sale of the Blackstone Parcel, and the City is willing to consent to that assignment (“Assignment”).

J. With this Agreement, the Parties also desire to clarify the specific obligations which will be assumed by Hudson, in connection with the Assignment, and to release Blackstone from responsibility for any other Development Agreement obligations related to the Blackstone Parcel.

K. Furthermore, pursuant to Section 15 of the Development Agreement, Blackstone and Hudson have requested a statement from City regarding the status and effect of the Development Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants in this Agreement, the City, Blackstone and Hudson agree as follows:

1. Assignment. As allowed under Section 19 of the Development Agreement on the Effective Date, as defined below, Blackstone agrees to assign to Hudson all of its rights in and obligations

under the Development Agreement relating to the vesting of the Project Approvals as applicable to the Blackstone Parcel. The vested rights assignment hereunder shall continue in effect for the remaining term of the Development Agreement.

2. City's Consent to Assignment. In accordance with Section 19 of the Development Agreement, the City agrees to the Assignment to be made pursuant to this Agreement.

3. Obligations Assumed by Hudson. As provided under Section 1.2 and Section 1.9 of the Development Agreement, which allow for the allocation of Development Agreement obligations in conjunction with the Assignment, on the Effective Date of the Assignment, Hudson shall assume and solely be liable and responsible for all of the obligations of Blackstone (as owner and developer of the Blackstone Parcel) related to the Blackstone Parcel under the Development Agreement.

4. Nonliability of Blackstone. Blackstone shall not be liable for and shall be released from any of the Development Agreement obligations assumed by Hudson pursuant to this Agreement but only to the extent said obligations have been assumed by Hudson.

5. Effective Date of Assignment. The Assignment shall be effective upon final execution by the Parties (the "Effective Date").

6. Development Agreement Status. In accordance with Section 15 of the Development Agreement, City states that, as of the date of this Agreement:

(a) The Development Agreement is in full force and effect.

(b) There are no defaults relating to the Blackstone Parcel affecting the Development Agreement.

7. Binding Effect. Pursuant to Section 20 of the Development Agreement, this Agreement, and all the terms and conditions hereof, shall be binding upon and inure to the benefit of the parties hereto and their respective assigns, heirs or other successors in interest, and may be relied on by Blackstone, Hudson and any lender of Hudson. The terms and conditions of this Agreement shall remain in full force and unaffected notwithstanding (i) the subsequent termination of, or amendment to, the Development Agreement applicable to the remaining portion of the Property (*i.e.*, that portion of the Property other than the Blackstone Parcel), and/or (ii) any change in the General Plan, Zoning Ordinance or Design Guidelines which affects the remaining portion of the Property.

8. Further Assignment. Hudson (after receiving the Assignment), and its respective successors and assigns, shall be entitled to assign its rights and obligations, subject only to City's consent, which consent shall not be unreasonably withheld, and to other applicable provisions affecting such Assignment as set forth in Section 19 of the Development Agreement.

9. Recordation. After its execution by the City, Blackstone and Hudson, this Agreement shall be recorded with Santa Clara County Recorder's Office and a copy shall be provided to City.

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

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement has been executed to be effective on the date specified herein.

City: CITY OF MILPITAS,
a municipal corporation in the State of California

By: _____

Name: _____

Its: _____

[Signature Page Continues On Next Page]

[Signature Page Continued From Previous Page]

Parties: BRE/MILPITAS L.L.C.,
a Delaware limited liability company

By: _____
Name: _____
Its: _____

HUDSON CAMPUS CENTER, LLC,
a Delaware limited liability company

By: Hudson Pacific Properties, L.P.,
a Maryland limited partnership,
its sole member

By: Hudson Pacific Properties, Inc.,
a Maryland corporation,
its general partner

By: _____
Name: Mark Lammas
Title: Chief Financial Officer

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF ILLINOIS)
)
COUNTY OF COOK)

On _____, 2015, before me, _____, a Notary Public, personally appeared Matthew Koritz, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, 2015, 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 paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, 2015, 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 paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

Legal Description

All that certain real property situated in the City of Milpitas, County of Santa Clara, State of California, being more particularly described as follows:

All of Parcel A and Parcels 1, 2, 3 and 4, as said parcels are shown upon that certain Parcel Map filed for record in the Office of the Recorder of the County of Santa Clara, State of California on June 6, 2002 in Book 749 of Maps at Pages 13, 14, 15 and 16.

APN: 022-56-005 (Parcel 1), 022-56-006 (Parcel 2), 022-56-007 (Parcel 3), 022-56-007 (Parcel 4), 022-56-009 (Parcel A)