

**OPTION AGREEMENT FOR THE SALE OF PROPERTY
FROM THE SAN JOSE DIRIDON DEVELOPMENT AUTHORITY TO ATHLETICS
INVESTMENT GROUP LLC**

This option agreement for the purchase of property (“Agreement” or “Option Agreement”) is made as of this _____, by and between the SAN JOSE DIRIDON DEVELOPMENT AUTHORITY, a California Joint Powers Authority created pursuant to the Joint Exercise of Powers Act, Title 1, Division 7, Chapter 5, of the California Government Code, Government Code Section 6500 *et seq* (“AUTHORITY”), and ATHLETICS INVESTMENT GROUP LLC (“OPTIONEE”).

RECITALS

WHEREAS, the AUTHORITY is the owner of certain property and improvements located at 105 South Montgomery, 150 South Montgomery, 510 West San Fernando, 102 South Montgomery, 115 South Autumn, and 645 Park Avenue, in San José, California more particularly described in Exhibit A attached hereto and incorporated herein by reference (the “Property”); and

WHEREAS, the Property is located in the Diridon Redevelopment Project Area (“Diridon Area”) and was originally purchased by the Redevelopment Agency of the City of San Jose (“AGENCY”) with the intent that the Property, along with other adjacent properties, be developed into a Major League Baseball park or alternatively a mixed use development with housing; and

WHEREAS, both the AGENCY and the City of San Jose, (“CITY”) have envisioned many potential future development and redevelopment projects in the Diridon Area including corporate offices, housing, high speed rail, BART, and a potential sports stadium/Major League Baseball park; and

WHEREAS, AGENCY and CITY formed AUTHORITY and transferred the Property to AUTHORITY for the purposes of facilitating future development in the Diridon Area; and

WHEREAS, OPTIONEE is exploring the construction of a Major League Baseball park in the Diridon Area; and

WHEREAS, the AUTHORITY and OPTIONEE desire to enter into this Agreement to grant OPTIONEE an option to purchase the Property, subject to the conditions herein.

NOW, THEREFORE, the parties agree as follows:

SECTION 1. GRANT OF OPTION.

For consideration in the amount of Fifty Thousand Dollars, (\$50,000), payable by OPTIONEE to AUTHORITY upon execution of this Agreement, and on the terms and conditions set forth herein, AUTHORITY grants to OPTIONEE an irrevocable, exclusive option to purchase the Property. ("Option").

Contemporaneously with the execution of this Agreement, AUTHORITY and OPTIONEE have executed a Memorandum of Option Agreement, in the form attached hereto as Exhibit "B" (the "Memorandum"), in recordable form.

If OPTIONEE does not exercise the Option contained in this Agreement prior to the expiration of the Option Period as defined below, OPTIONEE shall, upon Authority's request, execute a quitclaim deed to the Property, in recordable form, releasing OPTIONEE'S interest in the Property and rights under the Memorandum.

SECTION 2. TERM OF OPTION.

A. The Option to purchase the Property shall become effective on full execution of this Agreement and the Memorandum and shall expire two years thereafter if not exercised by OPTIONEE prior to such one year anniversary in accordance with Section 3A. ("Option Period"). With the consent of AUTHORITY, OPTIONEE may extend the Option Period for one additional year with the payment of Twenty-five Thousand Dollars, (\$25,000), payable by OPTIONEE to AUTHORITY ten (10) days prior to the expiration of the Option Period, in which event the term "Option Period" shall mean the previous Option Period as so extended.

B. Unless otherwise agreed, this Agreement shall automatically terminate upon the earlier of (i) expiration of the Option Period, as extended pursuant to Section 2.A, or (ii) execution of the Purchase Agreement (as defined below).

SECTION 3. EXERCISE OF OPTION.

A. Notice. As long as OPTIONEE is not in default under this Agreement and all conditions to the exercise of the option are satisfied or are waived in writing by AUTHORITY, OPTIONEE may exercise the option in accordance with this section and in no other manner. The Option shall be exercised by delivering written notice from OPTIONEE to AUTHORITY before the expiration of the Option Period ("Option Notice"). The Option Notice shall affirmatively state that the OPTIONEE exercises the Option without condition or qualification; provided, however, that the purchase and sale of the Property shall be subject to the closing conditions set forth herein and to be set forth in the Purchase Agreement. .

B. Purchase Price of Property. The Property shall be sold to OPTIONEE for the amount of **SIX MILLION NINE HUNDRED SEVENTY-FIVE THOUSAND TWO HUNDRED TWENTY-SEVEN DOLLARS (\$6,975,227)** provided the use of the Property

is restricted, to the reasonable satisfaction of AUTHORITY, for use as a Major League Baseball park and uses incidental to the Major League Baseball park, including to host other ticketed events, and use by CITY as provided in the Negotiating Principles noted below, and upon satisfaction of all conditions set forth in Section 4 and the Purchase Agreement.

SECTION 4. OPTION CONDITIONS.

A. Voter Approval

As a condition to the OPTIONEE's exercise of the Option, AUTHORITY may require a majority vote of the voters of San Jose approving the City, Agency and Authority participation in the building of the ballpark.

B. Purchase and Sale Agreement

AUTHORITY and OPTIONEE shall negotiate, in good faith, a purchase and sale agreement for the Property consistent with the terms of this Agreement, it being understood that the AUTHORITY will provide a first draft of the purchase and sale agreement (the "Purchase Agreement") within 90 days after the execution of this Agreement. AUTHORITY and OPTIONEE will thereafter diligently and continuously negotiate in good faith the form of Purchase Agreement to completion such that the definitive Purchase Agreement is ready to be, and shall be, executed by AUTHORITY and OPTIONEE within 15 days after the exercise of the Option by OPTIONEE in accordance with Section 3.A. The Purchase Agreement shall also include the following provisions:

1. The Property shall be restricted for use as a Major League Baseball park and uses incidental to the Major League Baseball park, including hosting other ticketed events, and use by CITY as provided in the Negotiating Principles noted below. .
2. A Transportation and Parking Management Plan ("TPMP") and Construction Management Plan ("CMP") will be required to be developed and agreed to prior to the commencement of construction for the CMP and prior to commencement of operations at the park for the TPMP (or at such other time as may be agreed to).
3. The purchase Agreement shall be consistent with the Negotiating Principles established by City Council Resolution No. 75567 as in effect on the date hereof attached hereto as Exhibit C, and shall contain such other commercially reasonable terms and conditions customary in Santa Clara County real estate sale and purchase agreements.
4. The Purchase Agreement may also include additional properties if acquired by AUTHORITY for a Major League Baseball park and uses incidental to the Major

League Baseball park including hosting other ticketed events, and use by CITY as provided in the Negotiating Principles, provided AUTHORITY and OPTIONEE agree.

SECTION 5. RIGHT OF ENTRY ON PROPERTY.

During the Option Period, OPTIONEE and its designated employees, agents and independent contractors shall have the right to enter on the Property, upon reasonable notice to AUTHORITY, to the extent necessary for the purpose to inspect, investigate, or conduct tests, including tests invasive to the Property. OPTIONEE agrees to repair any damages it or its agents or independent contractors shall cause to the Property, and further agrees to indemnify and hold AUTHORITY harmless from any and all costs, expenses, losses, and liabilities incurred or sustained by AUTHORITY as a result of the acts of OPTIONEE'S agents, or independent contractors pursuant to the rights granted under this Section. Notwithstanding anything to the contrary set forth herein, OPTIONEE shall have no liability to repair damage existing prior to OPTIONEE'S entry and OPTIONEE shall have no liability for any pre-existing conditions, facts or circumstances on, in, under or affecting the Property.

SECTION 6. ASSIGNMENT.

This Option shall not be assigned by OPTIONEE, without Authority's prior written approval, which approval shall be within the sole and absolute discretion of AUTHORITY, provided, however, that no consent shall be required for an assignment to (1) any entity directly or indirectly controlled by Lew Wolff, John Fisher or any member of their immediate families or (2) any entity to whom the Oakland Athletics are transferred or any subsidiary of, parent entity of, or entity under common control with such transferee entity.

SECTION 7. "AS IS" CONDITION.

OPTIONEE is acquiring the Property "AS IS" without any warranty of AUTHORITY, express or implied, as to the nature or condition of or title to the Property or its fitness for OPTIONEE's intended use of same, except as shall be set forth in the purchase and sale agreement described in Section 4.B. hereof. Prior to the exercise of the Option, OPTIONEE shall be familiar with the Property and will be relying solely upon its own, independent inspection, investigation and analysis of the Option Property as it deems necessary or appropriate in so acquiring the Property from AUTHORITY (including, without limitation, any and all matters concerning the condition, use, sale, development or suitability for development of the Property). In the event OPTIONEE shall acquire the Property, OPTIONEE hereby expressly waives any rights which it might have to seek contribution from AUTHORITY under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act 42 U.S.C. § 9601, or any other toxic waste or hazardous waste clean-up statute, law or regulation now or hereafter in existence. OPTIONEE is not relying in any way upon any representations, statements, agreements, warranties, studies, plans, reports,

prior agreements between the parties respecting such matters and all prior negotiations between the parties are merged herein. No verbal agreements or conversations with any officer, agent or employee of the AUTHORITY prior to the execution of this Agreement shall affect or modify any of the terms or obligations contained in this Option Agreement. Any such verbal agreement shall be considered unofficial information and in no way binding upon either party hereto

SECTION 11. DISTINCTION FROM REGULATORY AUTHORITY OF THE CITY.

OPTIONEE understands and agrees that this Agreement does not and shall not be construed to indicate or imply that the CITY, AGENCY or AUTHORITY, is acting as a regulatory or permitting authority, has hereby granted or is obligated to grant any approval or permit required by law for the development of the Property as contemplated by this Agreement.

SECTION 12. BINDING EFFECT.

This Option Agreement shall be binding on and inure to the benefit of the parties to this Option Agreement and their successors and assigns.

SECTION 13. MISCELLANEOUS PROVISIONS.

A. This Option Agreement shall be governed exclusively by the provisions hereof and by the laws of the State of California as the same from time to time exists. In the event that suit shall be brought by either party to this Option Agreement, the parties agree that venue shall be exclusively vested in the state courts of the County of Santa Clara, or where otherwise appropriate, exclusively in the United States District Court, Northern District of California, San Jose, California.

B. Contemporaneously with the execution hereof, the AUTHORITY and OPTIONEE shall execute, acknowledge and record against the Property with the applicable governmental body the Memorandum.

SECTION 14. COUNTERPARTS

This Option Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Option Agreement.

WITNESS THE EXECUTION HEREOF as of the day and year first hereinabove written.

"AUTHORITY"

APPROVED AS TO FORM:

By: _____

"OPTIONEE"

By:  _____
PRESIDENT

EXHIBIT A

Legal Description

105 S. Montgomery Street

APN 261-35-003, -006 & -010

Legal Description – 105 S. Montgomery Street
APN 261-35-003 & -006

Real property in the City of San Jose, County of Santa Clara, State of California, described as follows:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SAN JOSE, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL 21:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF SAN FERNANDO STREET (FORMERLY KNOWN AS AND CALLED NORTH STREET) WITH THE WESTERLY LINE OF MONTGOMERY STREET, (FORMERLY KNOWN AS AND CALLED EAST STREET); RUNNING THENCE SOUTHERLY ALONG THE WESTERLY LINE OF MONTGOMERY STREET 111.50 FEET; THENCE WESTERLY AND PARALLEL WITH SAN FERNANDO STREET 77.50 FEET; THENCE NORTHERLY AND PARALLEL WITH MONTGOMERY STREET 111.501 FEET TO THE SOUTHERLY LINE OF SAN FERNANDO STREET; AND THENCE EASTERLY ALONG SAID LAST NAMED LINE 77.50 FEET TO THE POINT OF BEGINNING, AND BEING LOT 28 OF THE LOS COCHES RANCHO.

APN: PORTION 261-35-003

PARCEL 22:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAN FERNANDO STREET; DISTANT THEREON 77 FEET AND 6 INCHES WESTERLY FROM THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF SAN FERNANDO STREET WITH THE WESTERLY LINE OF MONTGOMERY STREET, FORMERLY KNOWN AS AND CALLED EAST STREET; RUNNING THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAN FERNANDO STREET 5 FEET 4 INCHES, THENCE SOUTHERLY AND PARALLEL WITH MONTGOMERY STREET 111 FEET AND 6 INCHES, THENCE EASTERLY AND PARALLEL WITH SAN FERNANDO STREET 5 FEET AND 4 INCHES; THENCE NORTHERLY AND PARALLEL WITH MONTGOMERY STREET, 111 FEET AND 6 INCHES TO THE POINT OF BEGINNING, AND BEING A PART OF LOT 28 OF THE LOS COCHES RANCHO.

APN: PORTION OF 261-35-003

PARCEL 23:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAN FERNANDO STREET DISTANT THEREON 82 FEET 10 INCHES WESTERLY FROM THE INTERSECTION OF SAID LINE OF SAN FERNANDO STREET WITH THE WESTERLY LINE OF MONTGOMERY STREET, FORMERLY EAST STREET, AS SAID LINE EXISTED ON MAY 26, 1891; THENCE WESTERLY ALONG SAID LINE OF SAN FERNANDO STREET 52 FEET; THENCE AT RIGHT ANGLES SOUTHERLY ON A LINE PARALLEL WITH SAID WESTERLY LINE OF MONTGOMERY STREET 111 FEET 6 INCHES; THENCE AT RIGHT ANGLES EASTERLY ON A LINE PARALLEL WITH SAID LINE OF SAN FERNANDO STREET 52 FEET; THENCE AT RIGHT ANGLES NORTHERLY ON A LINE PARALLEL WITH SAID WESTERLY LINE OF MONTGOMERY STREET 111 FEET 6 INCHES TO THE POINT OF BEGINNING, AND BEING A PORTION OF LOT 28 OF THE SUBDIVISION OF LOS COCHES RANCHO.

APN: PORTION OF 261-35-003

PARCEL 24:

LOT 1 AS DELINEATED AND SO DESIGNATED UPON MAP ENTITLED, "MAP OF THE OTTERSON LOTS, IN THE LOS COCHES RANCHO", IN WHICH SAID MAP WAS RECORDED OF JUNE 23, 1896 IN THE OFFICE OF THE COUNTY OF RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, IN VOLUME "B" OF MAPS, AT PAGE 35.

APN: 261-35-006

Legal Description; APN 261-35-010

PARCEL 19:

BEGINNING AT A POINT ON THE WESTERLY LINE OF MONTGOMERY STREET, FORMERLY KNOWN AS EAST STREET, DISTANT THEREON SOUTHERLY 111.50 FEET FROM THE POINT OF INTERSECTION OF SAID LINE OF MONTGOMERY STREET WITH THE SOUTHERLY LINE OF SAN FERNANDO STREET, FORMERLY KNOWN AS NORTH STREET, AND SAID POINT OF BEGINNING BEING THE SOUTHEASTERLY CORNER OF THE PARCEL OF LAND DESCRIBED IN THE DEED FROM CHARLES J. RYLANDER ET UX TO W.A. RISSLAND ET UX, DATED SEPTEMBER 19, 1914 AND RECORDED SEPTEMBER 19, 1914 INBOOK 419 OF DEEDS, PAGE 587, THENCE SOUTHERLY AND ALONG SAID LINE OF MONTGOMERY STREET, 42.0 FEET TO THE NORTHEASTERLY CORNER OF THE PARCEL OF LAND DESCRIBED IN THE DEED FROM GEORGE EDWARD RAMER TO BERTHA CAROLINE BRADLEY DATED AUGUST 18, 1903 AND RECORDED JULY 26, 1904 IN BOOK 281 OF DEEDS, PAGE 121; THENCE WESTERLY AND PARALLEL WITH SAID LINE OF SAN FERNANDO STREET, AND ALONG THE NORTHERLY LINE OF LAND DESCRIBED IN THE DEED TO SAID BERTHA CAROLINE BRADLEY, 135.0 FEET TO THE NORTHWESTERLY CORNER THEREOF, AND IN THE EASTERLY LINE OF THE PARCEL OF LAND DISTRIBUTED IN THE ESTATE OF DELIA BRYANT, ALSO KNOWN AS DELIA A. BRYANT, DECEASED, TO HARRIETTE FRANCES BOWMAN AND PRINCE WARREN GODFREY, BY DECREE OF DISTRIBUTION DATED MARCH 31, 1916, A CERTIFIED COPY OF WHICH DECREE WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON APRIL 03, 1916 IN BOOK 440 OF DEEDS, AT PAGE 265, AND THENCE NORTHERLY AND ALONG SAID LAST REFERRED TO EASTERLY LINE 42.0 FEET TO THE SOUTHWESTERLY CORNER OF THE PARCEL OF LAND DESCRIBED IN THE DEED FROM H.H. MADSEN ET UX TO F.B. GILGER, DATED AUGUST 24, 1922 AND RECORDED AUGUST 30, 1922 IN BOOK 561 OF DEEDS, PAGE 143; THENCE EASTERLY AND PARALLEL WITH THE SAID LINE OF SAN FERNANDO STREET, AND ALONG THE SOUTHERLY LINE OF LAND DESCRIBED IN THE DEED TO SAID F.B. GILGER AND THE PROLONGATION OF SAID LINE EASTERLY 135.0 FEET TO THE WESTERLY LINE OF MONTGOMERY STREET; AND THE POINT OF BEGINNING, AND BEING A PORTION OF LOT 28 OF THE LOS COCHES RANCHO.

PARCEL 20:

BEGINNING AT A POINT ON THE WESTERLYLINE OF MONTGOMERY STREET, FORMERLY EAST STREET, DISTANT THEREON 153.50 FEET SOUTHERLY FROM THE POINT OF INTERSECTION OF THE WESTERLY LINE OF MONTGOMERY STREET WITH THE SOUTHERLY LINE OF SAN FERNANDO STREET, FORMERLY NORTH. STREET, SAID POINT OF BEGINNING BEING THE SOUTHEASTERLY CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED BY AMANDA J. GODFREY, A WIDOW, TO MATTIE E. HOFFMAN, BY DEED DATED APRIL 19, 1898 AND RECORDED APRIL 19, 1898 IN BOOK 208 OF DEEDS, PAGE 176, RECORDS OF SANTA CLARA COUNTY CALIFORNIA; THENCE RUNNING SOUTHERLY AND ALONG THE WESTERLY LINE OF MONTGOMERY STREET, 80 FEET TO THE NORTHEASTERLY CORNER OF THE LANDS SHOWN AND DESIGNATED UPON MAP ENTITLED, "MAP OF THE OTTERSON LOTS IN THE LOS COCHES RANCHO", AND WHICH SAID MAP WAS RECORDED IN THE OFFICE OF THE COUNTY

RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 23, 1886 IN BOOK B OF MAPS, AT PAGE 35; THENCE RUNNING WESTERLY AND ALONG THE NORTHERLY LINE OF SAID OTTERSON LOTS, 135.00 FEET TO A POINT ON THE EASTERLY LINE OF THAT CERTAIN PARCEL OF LAND DISTRIBUTED IN THE ESTATE OF DELIA BRYANT, ALSO KNOWN AS DELIA A. BRYANT, DECEASED, TO HARRIETTE FRANCES BOWMAN AND PRINCE WARREN GODFREY, BY DECREE OF DISIRIBUTION ENTERED IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FORTHE COUNTY OF SANTA CLARA ON MARCH 31, 1916, A CERTIFIED COPY OF WHICH WAS RECORDED ON APRIL 03, 1916 IN BOOK 440 OF DEEDS, PAGE 266, RECORDS OF SAID COUNTY OF SANTA CLARA RUNNING, THENCE NORTHERLY AND ALONG LAST SAID LINE, 80 FEET TO THE SOUTHWESTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE DEED TO MATTIE E. HOFFMAN, AS HEREINABOVE REFERRED TO; THENCE RUNNING EASTERLY AND ALONG THE SOUTHERLY LINE OF SAID LAND SO DESCRIBED IN THE DEED TO MATTIE E. HOFFMAN, 135 FEET TO THE POINT OF BEGINNING, AND BEING A PORTION OF LOT 28 OF THE LOS COCHES RANCHO.

102 S. Montgomery Street

APN 259-48-012

Legal Description – 102 S. Montgomery Street
APN 259-48-012

Real property in the City of San Jose, County of Santa Clara, State of California, described as follows:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SAN JOSE, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL 5:

BEGINNING AT THE POINT OF INTERSECTION OF THE EASTERLY LINE OF MONTGOMERY STREET, FORMERLY EAST STREET, WITH THE SOUTHERLY LINE OF SAN FERNANDO STREET; THENCE RUNNING SOUTHERLY AND ALONG THE EASTERLY LINE OF MONTGOMERY STREET, 73.50 FEET; THENCE AT RIGHT ANGLES EASTERLY AND PARALLEL WITH THE SOUTHERLY LINE OF SAN FERNANDO STREET, 86 FEET; THENCE AT RIGHT ANGLES NORTHERLY AND PARALLEL WITH THE EASTERLY LINE OF MONTGOMERY STREET 73.50 FEET TO A POINT ON THE SOUTHERLY LINE OF SAN FERNANDO STREET; THENCE RUNNING WESTERLY AND ALONG THE SOUTHERLY LINE OF SAN FERNANDO STREET, 86 FEET TO THE POINT OF BEGINNING, AND BEING A PORTION OF THE LOS COCHES RANCHO.

510 W. San Fernando Street
115 South Autumn Street

APN 259-48-011
APN 259-48-013

Legal Description – 510 W. San Fernando Street
APN 259-48-011 & -013

Real property in the City of San Jose, County of Santa Clara, State of California,
described as follows:

PARCEL 1:

ALL OF LOTS 16 AND 17, AND A PORTION OF LOTS 14 AND 15, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE GILLESPIE SUBDIVISION", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON APRIL 18, 1911 IN BOOK N OF MAPS, AT PAGE 46 AND A PORTION OF THE LOS COCHES RANCHO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAN FERNANDO STREET DISTANT THEREON NORTH 86° 49' EAST 86.00 FEET FROM THE POINT OF INTERSECTION THEREOF WITH THE EASTERLY LINE OF MONTGOMERY STREET (FORMERLY EAST STREET), AS SAID STREETS ARE SHOWN UPON THE MAP ABOVE REFERRED TO; RUNNING THENCE FROM SAID POINT OF BEGINNING, SOUTH 3° 16' EAST AND PARALLEL WITH THE SAID EASTERLY LINE OF MONTGOMERY STREET, FOR A DISTANCE OF 73.50 FEET TO A POINT ON THE NORTHERLY LINE OF LOT 17, AS SAID LOT IS SHOWN UPON THE MAP ABOVE REFERRED TO; RUNNING THENCE SOUTH 86° 49' WEST ALONG SAID LAST NAMED LINE, FOR A DISTANCE OF 86.00 FEET TO THE NORTHWESTERLY CORNER THEREOF ON THE SAID EASTERLY LINE OF MONTGOMERY STREET; RUNNING THENCE SOUTH 3° 10' EAST ALONG THE SAID EASTERLY LINE OF MONTGOMERY STREET, FOR A DISTANCE OF 86.00 FEET TO THE NORTHWESTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE DEED FROM T. J. GILLESPIE HARDWOOD PLANING MILL COMPANY, A CORPORATION, TO LENA BENNETT, DATED DECEMBER 20, 1935, RECORDED DECEMBER 24, 1935 IN BOOK 755 OF OFFICIAL RECORDS, PAGE 222, SANTA CLARA COUNTY RECORDS, THENCE LEAVING THE SAID EASTERLY LINE OF MONTGOMERY STREET AND RUNNING NORTH 86° 49' EAST ALONG THE NORTHERLY LINE OF LAND SO DESCRIBED IN THE DEED TO SAID BENNETT, FOR A DISTANCE OF 116.80 FEET TO THE NORTHEASTERLY CORNER THEREOF ON THE EASTERLY LINE OF LOT 14, AS SAID LOT IS SHOWN UPON THE MAP ABOVE REFERRED TO; RUNNING THENCE NORTH 3° 16' WEST ALONG SAID LAST NAMED LINE, FOR A DISTANCE OF 1.825 FEET, MORE OR LESS TO THE NORTHWESTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE DEED FROM T. J. GILLESPIE HARDWOOD PLANING MILL COMPANY, A CORPORATION, TO GEORGE SCHLOSSER, DATED MARCH 28, 1925, RECORDED MARCH 26, 1925 IN BOOK 145 OF OFFICIAL RECORDS, PAGE 279, SANTA CLARA COUNTY RECORDS; RUNNING THENCE NORTH 87° 40' EAST ALONG THE NORTHERLY LINE OF LAND SO DESCRIBED IN THE DEED TO SAID SCHLOSSER, FOR A DISTANCE OF 116.80 FEET TO THE NORTHEASTERLY CORNER THEREOF ON THE WESTERLY LINE OF GILLESPIE AVENUE, AS SAID AVENUE IS SHOWN UPON THE MAP ABOVE REFERRED TO; RUNNING THENCE NORTH 3° 16' WEST ALONG THE SAID WESTERLY LINE OF GILLESPIE AVENUE, FOR A DISTANCE OF 159.17 FEET TO THE POINT OF INTERSECTION THEREOF WITH THE SAID SOUTHERLY LINE OF SAN FERNANDO STREET; RUNNING THENCE SOUTH 86° 49' WEST ALONG THE SAID SOUTHERLY LINE OF SAN FERNANDO STREET, FOR A DISTANCE OF 147.50 FEET TO THE POINT OF BEGINNING.
APN: PORTION OF 259-48-011

PARCEL 2:

PORTION OF LOTS 13 AND 14, AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP OF THE GILLESPIE SUBDIVISION BEING PART OF LOT 29 OF THE LOS COCHES RANCHO", WHICH MAP

WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON APRIL 18, 1911 IN VOLUME "N" OF MAPS, AT PAGE 48, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EASTERLY LINE OF MONTGOMERY STREET (FORMERLY EAST STREET) DISTANT THEREON 159.50 FEET SOUTHERLY FROM THE INTERSECTION THEREOF WITH THE SOUTHERLY LINE OF SAN FERNANDO STREET; AND RUNNING THENCE EASTERLY AND PARALLEL WITH THE DIVIDING LINE BETWEEN SAID LOTS 13 AND 14, 116.80 FEET TO A POINT IN THE EASTERLY LINE OF LOT 14; THENCE SOUTHERLY AND ALONG THE EASTERLY LINE OF LOTS 14 AND 13, 50 FEET TO A POINT; THENCE WESTERLY AND PARALLEL WITH THE DIVIDING LINE BETWEEN LOTS 13 AND 14, 116.80 FEET TO A POINT ON THE EASTERLY LINE OF MONTGOMERY STREET; THENCE NORTHERLY AND ALONG THE SAID EASTERLY LINE OF MONTGOMERY STREET 50 FEET TO THE POINT OF BEGINNING.
APN: PORTION OF 259-78-011

PARCEL 3:
COMMENCING AT A POINT ON THE WESTERLY LINE OF AUTUMN STREET (FORMERLY GILLESPIE AVENUE) DISTANT THEREON S. 3° 16' E. 159.17 FEET FROM THE INTERSECTION THEREOF WITH THE SOUTHERLY LINE OF SAN FERNANDO STREET; RUNNING THENCE ALONG SAID WESTERLY LINE OF GILLESPIE AVENUE S. 3° 16' E. 80 FEET; THENCE S. 86° 49' W. 116.80 FEET; THENCE N. 3° 16' W. 60.00 FEET, MORE OR LESS, TO A POINT DISTANT SOUTHERLY 15 FEET FROM THE NORTHERLY LINE OF LOT 15 HEREINAFTER MENTIONED; THENCE N. 87°46' E. AND DISTANT SOUTHERLY 15 FEET FROM THE NORTHERLY LINE OF SAID LOT 15, 116.80 FEET MORE OR LESS, TO THE WESTERLY LINE OF GILLESPIE AVENUE AND THE POINT OF BEGINNING, AND BEING PORTIONS OF LOTS 12 AND 15 AS DESIGNATED AND DELINEATED UPON THAT CERTAIN MAP ENTITLED; "MAP OF THE GILLESPIE SUBDIVISION BEING PART OF LOT 29 OF THE LOS COCHES RANCHO", AND WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON APRIL 18, 1911 IN BOOK "N" OF MAPS, AT PAGE 48.

APN: 259-48-018

APN: 259-48-011 and 259-48-013

Arb: 259-48-011 & 013

150 S. Montgomery Street

APN259-48-053

Legal Description – 150 S. Montgomery Street
APN 259-48-053

Real property in the City of San Jose, County of Santa Clara, State of California, described as follows:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SAN JOSE, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE EASTERLY LINE OF MONTGOMERY STREET (60.00 FEET IN WIDTH), AT THE SOUTHWESTERLY CORNER OF THE GILLESPIE SUBDIVISION A MAP OF WHICH WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON APRIL 18, 1911 IN BOOK N OF MAPS, AT PAGE 48, SAID POINT OF BEGINNING BEING DISTANT SOUTH 3° 16' 00" EAST 329.03 FEET FROM THE POINT OF INTERSECTION THEREOF WITH THE SOUTHERLY LINE OF SAN FERNANDO STREET (60.00 FEET IN WIDTH); THENCE FROM SAID POINT OF BEGINNING NORTH 87° 24' 00" EAST ALONG THE SOUTHERLY LINE OF SAID GILLESPIE SUBDIVISION ABOVE REFERRED TO FOR A DISTANCE OF 221.44 FEET TO A POINT IN THE WESTERLY LINE OF A PROPOSED 72 FOOT STREET; THENCE SOUTHERLY ALONG SAID LAST MENTIONED LINE, ALONG AN ARC OF A CURVE TO THE RIGHT, FROM A TANGENT BEARING SOUTH 9° 35' 20" WEST, WITH A RADIUS OF 500.00 FEET, THROUGH A CENTRAL ANGLE OF 30° 42' 51", FOR AN ARC DISTANCE OF 268.03 FEET; THENCE WESTERLY ON A COMPOUND CURVE TO THE RIGHT, WITH A RADIUS OF 50.00 FEET, THROUGH A CENTRAL ANGLE OF 123° 12' 55", FOR AN ARC DISTANCE OF 107.53 FEET; THENCE SOUTH 87° 05' 00" WEST, 10.00 FEET TO A POINT IN THE SAID EASTERLY LINE OF MONTGOMERY STREET; THENCE NORTH 3° 16' 00" WEST ALONG SAID LAST MENTIONED LINE FOR A DISTANCE OF 212.84 FEET TO THE POINT OF BEGINNING.

645 Park Avenue

APN 261-35-014

Legal Description – 645 Park Avenue
APN 261-35-014

Real property in the City of San Jose, County of Santa Clara, State of California, described as follows:

A PORTION OF LOTS 27 AND 28, AS SAID LOTS ARE SHOWN UPON THAT CERTAIN MAP ENTITLED, "MAP SHOWING THE SUBDIVISION OF THE RANCHO DE LOS COCHES ADJOINING THE CITY OF SAN JOSE", WHICH MAP WAS FILED FOR RECORD ON NOVEMBER 6, 1867 IN BOOK "A" OF MAPS AT PAGE 47, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE PARCEL OF LAND CONVEYED TO THE CITY OF SAN JOSE, A MUNICIPAL CORPORATION, BY GRANT DEED RECORDED SEPTEMBER 21, 1965 IN BOOK 7111 AT PAGE 130 OF OFFICIAL RECORDS; THENCE SOUTH 86° 59' 15" WEST ALONG THE NORTHERLY LINE OF PARK AVENUE A DISTANCE OF 331.00 FEET TO A CHISELED "X" IN THE SIDEWALK; THENCE LEAVING SAID LAST NAMED LINE AND RUNNING NORTH 3° 00' 45" WEST AT A RIGHT ANGLE THERETO A DISTANCE OF 10 FEET; THENCE SOUTH 86° 59' 15" WEST AT A RIGHT ANGLE TO AND PARALLEL WITH SAID NORTHERLY LINE OF PARK AVENUE A DISTANCE OF 50.00 FEET; THENCE NORTH 3° 00' 45" WEST AT A RIGHT ANGLE THERETO, A DISTANCE OF 162.19 FEET, MORE OR LESS, TO THE SOUTHWESTERLY CORNER OF PARCEL 2, AS SAID PARCEL 2 IS DESCRIBED IN THAT CERTAIN MEMORANDUM OF LEASE FROM GILL INDUSTRIES, A CALIFORNIA CORPORATION, TO THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, A CORPORATION, RECORDED AUGUST 14, 1973 IN BOOK 0516 AT PAGE 402 OF OFFICIAL RECORDS, SAID SOUTHWESTERLY CORNER BEING AT A POINT IN LINE PARALLEL WITH AND DISTANT SOUTHERLY 2.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTH FACE OF THE SOUTH WALL OF THE THEN EXISTING SUNLITE BAKERY BUILDING; THENCE ALONG THE SOUTHERLY LINE OF PARCEL 2 AS DESCRIBED IN SAID MEMORANDUM OF LEASE NORTH 86° 59' EAST 94.59 FEET; THENCE, ALONG THE BOUNDARIES OF THE EXISTING TRANSFORMER CAGE, SOUTH 3° 01' EAST 8.00 FEET, NORTH 86° 59' EAST 18.00 FEET AND NORTH 3° 01' WEST 8.00 FEET TO A POINT IN THE LAST MENTIONED PARALLEL LINE; THENCE, ALONG SAID PARALLEL LINE, NORTH 86° 59' EAST 18.00 FEET; THENCE, ALONG THE BOUNDARIES OF THE EXISTING EVAPORATOR, SOUTH 3° 01' EAST 13.90 FEET, NORTH 86° 59' EAST 10.00 FEET, AND NORTH 3° 01' WEST 13.90 FEET TO A POINT IN LAST MENTIONED PARALLEL LINE; THENCE, ALONG SAID PARALLEL LINE, NORTH 86° 59' EAST 94.60 FEET; THENCE, ALONG THE BOUNDARIES OF AN EXISTING SUMP, SOUTH 3° 01' EAST 1.00 FEET, NORTH 86° 59' EAST 6.00 FEET, AND NORTH 3° 01' WEST 1.00 FEET TO A POINT IN LAST MENTIONED PARALLEL LINE; THENCE ALONG SAID PARALLEL LINE, NORTH 86° 59' EAST 132.09 FEET TO THE BACK OF THE EXISTING DRIVEWAY CURB; THENCE ALONG SAID BACK OF SAID EXISTING DRIVEWAY CURB; SOUTH 3° 01' EAST 16.12 FEET, AND EASTERLY ALONG A CURVE TO THE LEFT, TANGENT TO LAST DESCRIBED COURSE HAVING A RADIUS OF 7.50 FEET, A CENTRAL ANGLE OF 90° 00', AN ARC DISTANCE OF 11.78 FEET; THENCE NORTH 86° 59' EAST 40.22 FEET TO A POINT IN A LINE PARALLEL WITH AND DISTANT 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE WESTERLY LINE OF MONTGOMERY STREET; THENCE SOUTH 3° 01' 00" EAST ALONG THE WESTERLY LINE OF SOUTH MONTGOMERY STREET AS ESTABLISHED BY THE ABOVE REFERRED TO GRANT DEED TO THE CITY OF SAN JOSE A DISTANCE OF 108.54 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT; THENCE ALONG A TANGENT CURVE CONCAVE SOUTHEASTERLY WITH A RADIUS OF 40 FEET THROUGH AN ANGLE OF 89° 59' 40" FOR AN ARC LENGTH OF 52.83 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

RECORDING REQUESTED BY AND WHEN RECORDED, RETURNED TO:

KATTEN MUCHIN ROSENMAN LLP
2029 Century Park East, Suite 2600
Los Angeles, California 90067
Attention: Benzion J. Westreich, Esq.

MEMORANDUM OF OPTION

By this Memorandum of Option (this "Memorandum") entered into as of _____, 2011, THE SAN JOSE DIRIDON DEVELOPMENT AUTHORITY, a California Joint Powers Authority created pursuant to the Joint Exercise of Powers Act, Title 1, Division 7, Chapter 5, of the California Government Code, Government Code Section 6500 *et sec* ("AUTHORITY") grants to Athletics Investment Group LLC, a California Limited Liability Company, ("Optionee"), an option to purchase the real property described in the attached Exhibit A, attached hereto ("Property"). The option is more particularly described in the Option Agreement for the Sale of Property ("Option Agreement") executed in connection with this Memorandum, dated as of even date herewith, by and between Optionor and Optionee.

1. Term. The term of the Option Agreement begins and ends as provided in Section 2 of the Option Agreement.
2. Purpose. This Memorandum is prepared solely for the purposes of notice and recordation of Optionee's right to purchase the Property in accordance with the terms of the Option Agreement.
3. Termination. The Option Agreement shall automatically terminate and shall have no further force or effect upon the first of the following events to occur:
 - a. The purchase of the Property by Optionee; or
 - b. As set forth in the Option Agreement.

If Optionee does not exercise the Option contained in the Option Agreement prior to the expiration of the Option Period as defined in the Option Agreement, Optionee shall, upon AUTHORITY's request, execute a quitclaim deed to the Property, in recordable form, releasing Optionee's interest in the Property and rights under this Memorandum

4. Price and Terms. The Optioner and Optionee have executed and recorded this instrument to give notice of the Option Agreement and the respective rights and obligations of Optionee and Optionor. The price and other terms are in the unrecorded Option Agreement, which is incorporated by reference in its entirety in this Memorandum. In the event of any inconsistency between this Memorandum and the Option Agreement, the Option Agreement shall control.
5. Successors and Assigns. This Memorandum and the Option Agreement shall bind and inure to the benefit of the parties and their respective heirs, successors, and assigns.
6. Governing Law. This Memorandum and the Option Agreement are governed by California law.

[End of text; signature on following page]

IN WITNESS WHEREOF, the parties have executed and delivered this Memorandum as of the date set forth hereinabove.

OPTIONOR:

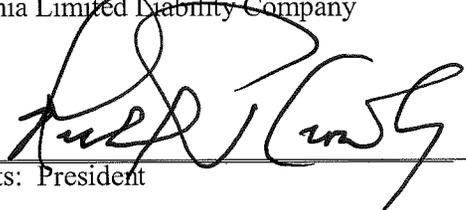
THE SAN JOSE DIRIDON DEVELOPMENT AUTHORITY, a California Joint Powers Authority created pursuant to the Joint Exercise of Powers Act, Title 1, Division 7, Chapter 5, of the California Government Code, Government Code Section 6500 *et sec*

APPROVED AS TO FORM:

By: _____

OPTIONEE:

ATHLETICS INVESTMENT GROUP LLC, a California Limited Liability Company

By:  _____
Its: President

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____ (here insert name and title of the officer), personally appeared _____ (insert name(s) of signer(s)) 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)

STATE OF CALIFORNIA)
COUNTY OF _____) ss.

On _____ before me, _____ (here insert name and title of the officer), personally appeared _____ (insert name(s) of signer(s)) 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 C

RD:TDM:CER
9/9/2010

RES. NO. 75567

RESOLUTION NO. 75567

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE: (A) REAFFIRMING THE NEGOTIATING PRINCIPLES PREVIOUSLY ESTABLISHED AND AMENDED BY THE CITY COUNCIL; AND (B) SUPPORTING THE EFFORTS OF THE OAKLAND ATHLETICS OWNERSHIP TO MOVE THE TEAM TO SAN JOSÉ AND THE ASSISTANCE OF THE SILICON VALLEY LEADERSHIP GROUP AND OTHER LOCAL GROUPS IN THEIR EFFORTS TO BRING MAJOR LEAGUE BASEBALL TO SAN JOSE

WHEREAS, on April 7, 2009 and August 3, 2010, the City Council and Agency Board affirmed its interest in supporting the efforts of the Oakland Athletics' ownership to move the team to the City of San Jose; and

WHEREAS, on May 12, 2009, the City Council and Agency Board established Negotiating Principles for the development of a stadium in the Downtown for a Major League Baseball team, which were subsequently amended by Council on August 3, 2010; and

WHEREAS, on September 10, 2010, through the efforts of the Silicon Valley Leadership Group, a letter from seventy five (75) of Silicon Valley's leading CEOs was sent to Major League Baseball urging Commissioner Selig to approve the Athletics' move to San Jose; and

WHEREAS, various local organizations, including the San Jose Silicon Valley Chamber of Commerce, the San Jose Convention and Visitors Bureau, the San Jose Sports Authority and Baseball San Jose, have all expressed their support for the Athletics' move to San Jose, and Lew Wolff, the Athletics' owner, is also on record as indicating he would prefer San Jose as the new home of the Athletics; and

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Council Agenda: 9-21-2010
Item No.: 9.1

WHEREAS, the Council desires to reaffirm the following previously-approved Negotiating Principles that will guide the City's efforts in bringing a Major League Baseball stadium to San Jose:

1. No new taxes are imposed to fund ballpark-related expenditures.
2. The City must determine that the ballpark development will generate a significant economic benefit to the City and have a positive impact on City General Fund revenues.
3. No public funds shall be spent to finance or reimburse any costs associated with construction of the ballpark or construction of any on-site Infrastructure or improvements needed for the ballpark.
4. No public funds of any kind are spent to finance or reimburse any ballpark operational or maintenance costs related to activities conducted by or under the authority of the baseball team that uses the ballpark either at the ballpark or in the streets surrounding the ballpark.
5. No public funds shall be spent to finance or reimburse the cost of any traffic control, street cleanup, emergency or security services within the ballpark site or within the streets surrounding the ballpark that are related to activities at the ballpark conducted by or under the authority of the baseball team.
6. If the property is leased for a ballpark, the baseball team must be willing, at the end of the term of the lease, either to purchase the property at fair market value or to do one of the following things at the City's option and at no cost to the City or the Redevelopment Agency:

- a. Transfer ownership of the improvements to the City or Redevelopment Agency; or
 - b. Demolish the improvements and clear the site to make way for other development.
7. The entity that builds or operates the ballpark must be willing, if the City deems it appropriate, to make the ballpark available to the City during baseball's offseason for up to 10 days per year for community-related events, at no rental charge to the City.
8. The name of the baseball team must include San Jose.

NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CITY OF SAN JOSE:

- (a) Reaffirms the negotiating principles previously established and amended by the City Council; and
- (b) Supports the efforts of the Oakland Athletics ownership to move the team to San José and the assistance of the Silicon Valley Leadership Group and other local groups in their efforts to bring Major League Baseball to San Jose.

RD:TDM:CER
9/9/2010

RES. NO. 75567

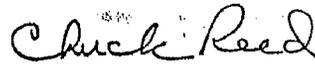
ADOPTED this 21st day of September, 2010, by the following vote:

AYES: CHIRCO, CHU, CONSTANT, HERRERA, KALRA,
LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

ABSENT: CAMPOS.

DISQUALIFIED: NONE.



CHUCK REED
Mayor

ATTEST:



LEE PRICE, MMC
City Clerk