

**AGREEMENT**

STATE OF TEXAS       §  
                                   §  
 COUNTY OF BEXAR     §

This Agreement (the "Agreement") is entered into between and among the CITY OF SAN ANTONIO, a Texas Municipal Corporation (hereinafter the "CITY"), as authorized pursuant to Ordinance \_\_\_\_\_ - \_\_\_\_ - \_\_\_\_\_, passed and approved \_\_\_\_\_, 2015; and STREET RETAIL SAN ANTONIO, LP, a Delaware limited partnership ("STREET RETAIL"); (collectively referred to herein as the "Parties"), which Agreement is set forth as follows:

WHEREAS, the CITY and STREET RETAIL entered into a Development Agreement June 13, 2000 authorized by Ordinance 91539 dated March 30, 2000, which Development Agreement was amended by First Amendment authorized by Ordinance No. 92409 dated August 24, 2000, Second Amendment authorized by Ordinance No. 92409 dated August 24, 2000, Third Amendment authorized by Ordinance 2007-09-20-0986 dated September 20, 2007, and Fourth Amendment authorized by Ordinance 2010-04-01-0270 dated April 1, 2010 (collectively, the "Development Agreement");

WHEREAS, pursuant to the terms of the Development Agreement, Federal Realty Investment Trust, a Maryland Real Estate Investment Trust executed a Guaranty Agreement dated effective March 30, 2000 (the "Guaranty Agreement"); and

WHEREAS, pursuant to the terms of the Development Agreement, STREET RETAIL and the CITY entered into the agreements listed on EXHIBIT A, attached hereto (the "TIRZ Agreements");

WHEREAS, pursuant to the terms of the Development Agreement and applicable state law, the CITY established a fund (the "TIRZ Fund") to (i) receive and maintain deposits from the CITY, along with deposits from Bexar County, Bexar County Hospital District d/b/a University Health System and the Alamo Community College District (collectively, the "Taxing Authorities") pursuant to agreements entered into by the CITY, Tax Increment Reinvestment Zone Number Nine (9), City of San Antonio, Texas and the Taxing Authorities (collectively referred to as the "Interlocal Agreements") and (ii) disburse funds to STREET RETAIL pursuant to the terms of the Development Agreement; and

WHEREAS, the Development Agreement and the TIRZ Agreements have terminated and (i) STREET RETAIL has completed its obligations under the Development Agreement and the TIRZ

Agreements, other than executing the agreements listed on Exhibit B, attached hereto, (collectively, the "Close Out Documents") and (ii) the CITY has completed its obligations under the Development Agreement and the TIRZ Agreements, other than executing the Close Out Documents and delivering to STREET RETAIL the sum of \$1,299,777.22 as full and final payment due to STREET RETAIL by the CITY under the terms of the Development Agreement ( the "TIRZ Payment").

NOW THEREFORE, in consideration of the mutual promises and agreements herein contained, including the recitals set forth above, the receipt and sufficiency of which are hereby formally acknowledged, the Parties agree as follows:

**1. Development Agreement and TIRZ Agreements.** The CITY and STREET RETAIL acknowledge and agree that the Development Agreement and the TIRZ Agreements are terminated.

**2. Representations and Warranties of the CITY.** CITY hereby makes each of the following representations, warranties and covenants (collectively, the "CITY Representations and Warranties") to STREET RETAIL.

2.1 Existence. CITY is a municipal corporation and home rule city of the State of Texas principally situated in Bexar County.

2.2 Power and Authority. CITY has all requisite municipal corporate power and authority to enter into this Agreement and perform all of its obligations under this Agreement. The execution and performance by CITY of this Agreement has been duly authorized by all necessary CITY Council action and, except for the additional approval of STREET RETAIL, do not require the consent or approval of any other person which has not been obtained, including without limitation any federal, state or municipal entity, authority, agency or court.

2.3 No Legal Bar. The execution and performance by CITY of this Agreement does not, and will not, violate any provisions of any contract, agreement, instrument, statute or ordinance to which CITY is a party or is subject.

2.4 Litigation. To the knowledge of the CITY, there are no actions or proceedings pending or threatened the determination of which would materially and adversely affect the ability of the CITY to fulfill its obligations under this Agreement.

2.5 TIRZ Payment and TIRZ Fund. The TIRZ Payment of \$1,299,777.22 (i) is the amount in the TIRZ Fund as of September 30, 2014 and (ii) the Parties agree that this is the amount to be paid to STREET RETAIL as full and final payment.

2.6 Development Agreement and TIRZ Agreements. STREET RETAIL has satisfactorily completed its obligations under the Development Agreement and the TIRZ Agreements, other than delivering to the CITY executed original Close Out Documents.

2.7 Knowledge. The CITY has no knowledge of any facts or circumstances which presently, or with the passage of time would, evidence that any of the STREET RETAIL Representations and Warranties are in any way inaccurate, incomplete or misleading.

**3. Representations and Warranties of STREET RETAIL.** STREET RETAIL hereby makes each of the following representations, warranties and covenants (collectively, the "STREET RETAIL Representations and Warranties") to the CITY.

3.1 Existence. STREET RETAIL is a limited partnership duly organized and legally existing under the laws of the State of Delaware, and qualified to transact business in the State of Texas and whose General Partner is legally existing under the laws of the State of Maryland and is qualified to transact business as Street Retail San Antonio, Inc., in the State of Texas.

3.2 Power and Authority. STREET RETAIL has all requisite power and authority to enter into this Agreement and perform all of its obligations under this Agreement. The execution and performance by STREET RETAIL of this Agreement have been duly authorized by all necessary partnership action and, except for the additional approval of CITY do not require the consent or approval of any other person which has not been obtained, including, without limitation, any Governmental Authority. The General Partner has all requisite power and authority to enter into this Agreement as the general partner in STREET RETAIL and does not require the consent or approval of any other person or entity which has not been obtained, including, without limitation, any federal State or municipal entity, authority, agency or court.

3.3 No Legal Bar. The execution and performance by STREET RETAIL, acting by and through its General Partner, of this Agreement do not, and will not, violate any provisions of any contract, agreement, instrument, statute or ordinance to which STREET RETAIL or its General Partner is a party or is subject.

3.4 Litigation. To the knowledge of STREET RETAIL, there are no actions or proceedings pending or threatened against STREET RETAIL or its General Partner, the determination of which would materially and adversely affect the ability of STREET RETAIL to fulfill its obligations under this Agreement.

3.5 Knowledge. STREET RETAIL has no knowledge of any facts or circumstances which presently, or with the passage of time would, evidence that any of the CITY Representations are in any way inaccurate, incomplete or misleading.

3.6 Qualifying Lease. As of September 30, 2014, there were no “Qualifying Leases,” as such term is defined in Section 7.3B.4 of the Fourth Amendment to the Development Agreement.

3.7 Development Agreement and TIRZ Agreements. CITY has satisfactorily completed its obligations under the Development Agreement and the TIRZ Agreements, other than delivering to STREET RETAIL executed original Close Out Documents.

**4. The Close Out.** Contemporaneously with the execution of this Agreement, the CITY and STREET RETAIL have delivered to the other party, the following:

4.1 The CITY. The CITY has delivered to STREET RETAIL (i) fully executed original counterparts of the Close Out Documents, (ii) the fully executed original “Termination and Release of Guaranty Agreement” in the form attached as Exhibit C, attached hereto, together with the original executed Guaranty Agreement, and (ii) the TIRZ Payment in immediately available funds.

4.2 STREET RETAIL. STREET RETAIL has delivered to the CITY fully executed original counterparts of the Close Out Documents.

**5. Mutual Release of Claims by CITY and STREET RETAIL.** CITY and STREET RETAIL, for and on behalf of themselves, all related companies, partnerships or joint ventures, with respect to each of them, including without limitation, SRI San Antonio, Inc. d/b/a Street Retail San Antonio I, Inc., a Maryland corporation and Federal Realty Investment Trust, a Maryland Real Estate Investment Trust, their predecessors, successors and assigns, do hereby, RELEASE, ACQUIT and FOREVER DISCHARGE each other, officers, directors, assigns, representatives, agents, or employees, of and from any and all claims, damages, demands, liability, lawsuits, actions or causes of action, costs, losses, expenses, compensation and/or obligations, whether known or unknown, at law or in equity, which either the CITY or STREET RETAIL have or may have against each other arising from or related in any way whatsoever to the Development Agreement, the TIRZ Agreements and/or the Guaranty Agreement.

**6. Miscellaneous Provisions.**

6.1 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, insurers, sureties, administrators, legal representatives, corporations, partnerships, entities, successors or predecessors, directors, officers, employees, servants, assigns, attorneys or any one in privity with any of them.

6.2 Survival. The CITY Representations and Warranties and the STREET RETAIL Representations and Warranties shall survive the execution of this Agreement and the Close Out Documents.

6.3 Applicable Law. This Agreement shall be construed and enforced under the laws of the State of Texas.

6.4 Incorporation. Each and all of the exhibits attached hereto are hereby incorporated into this Agreement by reference.

6.5 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument; provided, however, in no event shall this Agreement be effective unless and until signed by all parties hereto.

6.6 Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the matters to which it pertains and may be amended only by written agreement signed by the Parties and by reference made a part hereof.

6.7 Partial Invalidity. If any term or provision of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

*[Signatures Appear on the Following Page]*

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have caused this Settlement and Release Agreement to be executed by their duly authorized representatives as of the latter date set forth below.

**CITY OF SAN ANTONIO**

**STREET RETAIL SAN ANTONIO, LP,**  
A Delaware Limited Partnership,  
By and through its sole general partner,  
SRI San Antonio, Inc. d/b/a Street Retail  
San Antonio I, Inc., a Maryland corporation

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

STATE OF TEXAS       §  
                                  §  
COUNTY OF BEXAR    §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of the CITY OF SAN ANTONIO, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she has executed the same for the purposes and consideration therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this \_\_\_\_\_ day of \_\_\_\_\_, 2015, to certify which witness my hand and seal of office.

\_\_\_\_\_  
Notary Public, State of Texas

My Commission expires: \_\_\_\_\_

STATE OF TEXAS       §  
                                  §  
COUNTY OF BEXAR    §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of STREET RETAIL SAN ANTONIO, LP, a Delaware Limited Partnership, by and through its sole general partner, SRI San Antonio, Inc. d/b/a Street Retail San Antonio I, Inc., a Maryland corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she has executed the same for the purposes and consideration therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this \_\_\_\_\_ day of \_\_\_\_\_, 2015, to certify which witness my hand and seal of office.

\_\_\_\_\_  
Notary Public, State of Texas

My Commission expires: \_\_\_\_\_

## EXHIBIT A

### TIRZ Agreements

1. Guaranty Agreement (Development Agreement) by Federal Realty Investment Trust, dated March 30, 2000
2. Project Management Contract by and between Street Retail San Antonio, LP and the City of San Antonio dated as of October 3, 2001 (Majestic Theatre Courtyard)
3. Project Management Contract by and between Street Retail San Antonio, LP and the City of San Antonio dated as of January 8, 2002 (Houston Street Linkage)
4. Joint Use Agreement by and between Street Retail San Antonio, LP and the City of San Antonio dated as of November 19, 2009 (Majestic Theatre Courtyard)
5. Recordable Memorandum of Permission (Joint Use Agreement/Majestic Courtyard) by the City of San Antonio and Street Retail San Antonio, LP (Recorded December 3, 2009, Doc. No. 200902323588, Official Records of Bexar County , Texas) (Majestic Theatre Courtyard)
6. Temporary Easement Agreement (undated) between Street Retail San Antonio, LP and the City of San Antonio (not recorded) (Houston Street Linkage)



## **EXHIBIT B**

### **Close Out Documents**

1. Special Warranty Deed to be executed by GrayStreet Houston – 150 E. Houston Street, LLC and Hotel Valencia San Antonio Riverwalk, L.P. to the City of San Antonio
2. Special Warranty Bill of Sale to be executed by GrayStreet Houston – 150 E. Houston Street, LLC and Hotel Valencia San Antonio Riverwalk, L.P. to the City of San Antonio
3. Public Access Easement to be executed by GrayStreet Houston – 150 E. Houston Street, LLC to the City of San Antonio (re: elevator river level)
4. Public Access Easement to be executed by GrayStreet Houston – 150 E. Houston Street, LLC to the City of San Antonio (re: elevator street level)
5. Public Access Easement to be executed by GrayStreet Houston – 150 E. Houston Street, LLC to the City of San Antonio (re: stairs terrace level)
6. Agreement and Non-exclusive Easement to be executed by GrayStreet Houston – 150 E. Houston Street, LLC and the City of San Antonio
7. Agreement and Non-exclusive Easement (Elevator Hydraulic Room) to be executed by GrayStreet Houston – 150 E. Houston Street, LLC and the City of San Antonio
8. Public Access Easement Agreement Majestic Theatre Courtyard (Houston Street Court) to be executed by GrayStreet Houston – 219 E. Houston Street, LLC to the City of San Antonio

## EXHIBIT C

### TERMINATION AND RELEASE OF GUARANTY AGREEMENT

This Termination and Release of Guaranty Agreement is entered into by and between the CITY OF SAN ANTONIO, a Texas Municipal Corporation (the "CITY"), as authorized pursuant to Ordinance \_\_\_\_\_-\_\_\_\_-\_\_\_\_\_, passed and approved \_\_\_\_\_, 2015 and FEDERAL REALTY INVESTMENT TRUST, a Maryland Real Estate Investment Trust ("FEDERAL REALTY").

WHEREAS, pursuant to the terms of the Development Agreement entered into by and between the CITY and STREET RETAIL SAN ANTONIO, LP, a Delaware limited partnership, Federal Realty Investment Trust, a Maryland Real Estate Investment Trust executed a Guaranty Agreement dated effective March 30, 2000 (the "Guaranty Agreement"), a copy of which is attached hereto as Exhibit A -1 and incorporated herein for all purposes; and

WHEREAS, the CITY agrees to terminate the Guaranty Agreement and irrevocably release and discharge FEDERAL REALTY from all of its obligations and liabilities under the Guaranty Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the CITY agrees as follows:

Section 1. Termination and Release. The CITY irrevocably agrees that the Guaranty Agreement is hereby terminated and that FEDERAL REALTY shall have no further obligation, duties or liabilities thereunder and the CITY hereby releases, waives and forever discharges FEDERAL REALTY from all obligations, duties or liabilities of whatever nature arising under or in connection with the Guaranty Agreement.

Section 2. Governing Law. This Termination and Release of Guaranty Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

*[Signatures Appear on the Following Page]*

Dated: \_\_\_\_\_, 2015

**CITY OF SAN ANTONIO**

By: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

FEDERAL REALTY INVESTMENT TRUST,  
A Maryland Real Estate Investment Trust

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A - 1  
TO  
TERMINATION AND RELEASE OF GUARANTY AGREEMENT**

**Guaranty Agreement**

**(Attached)**