PLEASE RECORD, AND
AFTER RECORDATION RETURN TO:

JONES HALL,
A PROFESSIONAL LAW CORPORATION
650 California Street, 18th Floor
San Francisco, California 94108
Attention: William H. Madison, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

TERMINATION AGREEMENT

This Termination Agreement is dated as of July 1, 2005, and is by and among the REDEVELOPMENT AGENCY OF THE CITY OF SUNNYVALE, a public entity and agency duly organized and existing under and by virtue of the State of California (the "Agency"), the CITY OF SUNNYVALE, a municipal corporation duly organized and existing under the laws of the State of California (the "City"), and U.S. BANK TRUST NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as trustee (the "Trustee").

WITNESSETH:

WHEREAS, the City and the Agency have previously entered into a Facility Lease dated as of March 1, 1998, which was recorded on April 1, 1998, as Instrument No. 14120789 in Official Records of the Office of the Santa Clara County Recorder (the "Facility Lease"); and

WHEREAS, pursuant to Section 2.06 of the Facility Lease, the City has exercised its option to remove property which was previously leased by the Agency to the City pursuant to the Facility Lease (the "Former Property"); and

WHEREAS, pursuant to an Assignment Agreement, dated as of March 1, 1998 (the "Assignment Agreement"), by and between the Agency and the Trustee, recorded on April 1, 1998 as Instrument No. 14120790 in the Office of the Santa Clara County Recorder (the "Assignment Agreement"), the Agency has assigned certain of its rights under the Facility Lease to the Trustee; and

WHEREAS, the City and the Agency wish to discharge and terminate the Facility Lease and the Assignment Agreement with respect to the Former Property in connection with the removal of the Former Property;

NOW, THEREFORE, in consideration of the foregoing and for other consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree:

Section 1. Termination. The Facility Lease and the Assignment Agreement shall be, and are hereby terminated with respect to the Former Property. The City and the Agency shall cause an executed copy of this Termination Agreement to be recorded in the Office of the Santa Clara County Recorder promptly following the execution and delivery hereof.

Section 2. Execution in Counterparts. This Termination Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Termination Agreement by their officers thereunto duly authorized as of the day and year first written above.

REDEVELOPMENT AGENCY OF THE CITY OF SUNNYVALE, as Lessor

By _____
Executive Director

Attest:

_____
Secretary

CITY OF SUNNYVALE, as lessee

By _____
Director of Finance

(S E A L)

Attest:

_____
City Clerk

U.S. BANK TRUST NATIONAL ASSOCIATION, as Trustee

By _____
Authorized Officer

State of California)
) ss
County of Santa Clara)

On _____, before me, _____, Notary Public for the State of California, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person 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.

WITNESS my hand and official seal.

Signature:_____

State of California)
) ss
County of Santa Clara)

On _____, before me, _____, Notary Public for the State of California, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person 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.

WITNESS my hand and official seal.

Signature:_____

State of California)
) ss
County of San Francisco)

On _____, before me, _____, Notary Public for the State of California, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person 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.

WITNESS my hand and official seal.

Signature:_____

EXHIBIT A

DESCRIPTION OF THE PROPERTY BEING REMOVED FROM THE FACILITY LEASE

Parcels 3 and 5, as shown on that certain Parcel Map, filed May 25, 2000 of Maps, Book 728, at pages 6, 7, 8 and 9.