

MEETING DATE: 9/18/06

AGENDA ITEM: A Public Hearing Approving a Purchase and Sale Agreement
for properties located at 8908, 8910, 8919 and 8921 Lindblade
Street

ATTACHMENTS

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Culver City Redevelopment Agency
APN Nos. 4206-015-901, 016-900, 013-903, 016-902

AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS

Project: Culver City Redevelopment
Agency-Lindblade Properties

APN Nos: 4206-015-901, 016-900,
013-903, 016-902
8908, 8910, 8919 & 8921
Lindblade Street

Escrow No. _____

This AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (this "Agreement") is made and entered into as of this ____ day of _____ 2006, and constitutes an agreement by which the CULVER CITY REDEVELOPMENT AGENCY, a public body, corporate and politic (the "Seller"), agrees to sell to _____, as Trustee of the Malakzad Trust under that certain Trust Agreement dated _____, (the "Buyer") and Buyer agrees to purchase, on the terms and conditions hereinafter set forth that certain real property as more particularly described in the legal description attached hereto as Exhibit "A" and incorporated herein by reference and all Improvements (hereinafter defined) pertaining to said real property located and located in, under, upon or no said real property (the "Property").

The terms and conditions of this Agreement and the instructions to First American Title (the "Escrow Holder") with regard to the escrow for conveyance of the Property (the "Escrow") created pursuant hereto are as follows:

1. Property. The Property to be acquired by Buyer from Seller under the terms of this Agreement is located at 8908, 8910, 8919 & 8921 Lindblade Street in Culver City, California and is approximately twenty-one thousand (21,000) square feet in size. The Property includes all improvements pertaining to the Property, including, all buildings, structures, pavement, areas improved with asphalt, concrete or similar materials, fixtures and equipment installed upon or located upon the Property (the "Improvements"). The Seller is purchasing the Property from a third party with the intention of selling the Property to the Buyer in accordance with the terms and provisions of this Agreement.

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2. Purchase and Sale. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller agrees to sell the Property to Buyer and Buyer agrees to purchase the Property from Seller upon all of the terms and conditions herein set forth.

3. Purchase Price. The purchase price for the Property to be paid by the Buyer to the Seller shall be Six Million Five Hundred Twenty-Five Thousand Dollars (\$6,525,000.00) (the "Purchase Price"). The Purchase Price shall be full payment for the Property.

4. Payment of Purchase Price. The Purchase Price for the Property shall be payable by Buyer as follows:

a. (1) Deposit. Upon the opening of Escrow in accordance with paragraph 6.a. below, the Buyer shall deposit or cause to be deposited with Escrow Holder, in cash or by a certified or bank cashier's check made payable to Escrow Holder, or a confirmed wire transfer of funds, the amount of One Hundred Thousand Dollars (\$100,000) (the "**Deposit**"), which shall be applied towards the Purchase Price upon the Close of Escrow. The Deposit shall be non-refundable to Buyer unless Seller is unable to complete this transaction or the conditions precedent in Section 8.a. herein, are not met.

(2) Liquidated Damages. IF BUYER DEFAULTS UNDER THE TERMS OF THIS AGREEMENT AND DOES NOT COMPLETE THE TERMS OF THE SALE WITHIN THE TIME SPECIFIED, TIME BEING OF THE ESSENCE, THE DEPOSIT SHALL BE RETAINED BY SELLER AS LIQUIDATED DAMAGES. THE PARTIES AGREE THAT IT IS DIFFICULT TO ASCERTAIN THE ACTUAL DAMAGES THAT SELLER WILL SUSTAIN IN THE EVENT OF AND BY REASON OF BUYER'S FAILURE TO COMPLETE THE SALE. ACCORDINGLY, THE PARTIES AGREE THAT THE AMOUNT OF THE DEPOSIT IS THE BEST REASONABLE ESTIMATE OF SUCH DAMAGES. THE PARTIES HAVE INITIALED BELOW TO ESTABLISH THEIR INTENT AS TO LIQUIDATE DAMAGES PURSUANT TO THE PROVISIONS OF THE CALIFORNIA CIVIL CODE AND THE PARTIES EXPRESSLY AGREE THAT SUCH LIQUIDATED DAMAGES WILL NOT BE DEEMED A FORFEITURE OR A PENALTY. UPON SUCH BREACH BY BUYER, BUYER SHALL HAVE NO FURTHER RIGHTS HEREUNDER. ALL RIGHT, TITLE, AND INTEREST IN AND TO THE PROPERTY SHALL CONTINUE TO REMAIN VESTED IN SELLER FREE OF ANY CLAIM OR RIGHT OF BUYER OR THOSE CLAIMING UNDER BUYER.

ACCEPTED BY: Buyer: _____ Seller: _____

b. Closing Funds. Within five (5) days of Buyer's receipt of a written request

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from the Escrow Holder, but in any event, prior to the Close of Escrow (hereinafter defined), Buyer shall deposit or cause to be deposited with Escrow Holder, in cash or by a certified or bank cashier's check made payable to Escrow Holder or a confirmed wire transfer of funds, the balance of the Purchase Price (the Purchase Price less the Deposit), plus or minus Escrow Holder's estimate of Buyer's closing costs, prorations and charges payable pursuant to this Agreement. All escrow, recording and title insurance costs shall be paid by Buyer.

5. Escrow.

a. Opening of Escrow. For purposes of this Agreement, the Escrow shall be deemed opened on the date Escrow Holder shall have received an executed counterpart of this Agreement from both Buyer and Seller and the Deposit from Buyer (the "Opening Date"). Escrow Holder shall notify Buyer and Seller, in writing, of the Opening Date and the Closing Date, as defined in Section 5(b), below. In addition, Buyer and Seller agree to execute, deliver, and be bound by any reasonable or customary supplemental escrow instructions of Escrow Holder, or other instruments as may reasonably be required by Escrow Holder, in order to consummate the transaction contemplated by this Agreement. Any such supplemental instructions shall not conflict with, amend, or supersede any portion of this Agreement. If there is any inconsistency between such supplemental instructions and this Agreement, then this Agreement shall control.

b. Close of Escrow. For purposes of this Agreement, "Close of Escrow" shall be defined as the date the Grant Deed, the form of which is attached hereto as Exhibit "B" (the "Grant Deed") conveying the Property to Buyer, is recorded in the Official Records of Los Angeles County, California. The Close of Escrow shall occur on or before _____ ?? _____, unless extended in writing by mutual agreement of the parties (the "Closing Date").

6. Conditions of Title. It shall be a condition to the Close of Escrow and a covenant of Seller that title to the Property shall be conveyed to Buyer by Seller by the Grant Deed, subject only to the following approved conditions of title (the "Approved Condition of Title"):

- a. the lien of real property taxes and assessments not then delinquent;
- b. the lien of supplemental taxes assessed pursuant to Chapter 3.5, commencing with Section 75 of the California Revenue and Taxation Code;
- c. the standard printed exceptions in a CLTA Owner's Standard Form policy of title insurance (the "Permitted Exceptions");

- d. the reservation of mineral rights (without the right of surface entry);
- e. that certain quitclaim deed dated 11/6/96 from UC Regents as grantor to Rosario J. Richards, a married woman, as her sole and separate property and Elsa S. Jallorina, an unmarried woman, as to an undivided 1/3 interest and Ruperto S. Gumban (who acquired title as Ruperto G. Gumbano) and Natalie G.J. Gumban, an unmarried woman and Noli A.N. Fortugaleza, Jr., a single man, as to an undivided 1/3, all as tenants in common, as grantee;
- f. Matters affecting the Approved Condition of Title created by or with the written consent of Buyer; and
- g. Exceptions which are disclosed by the standard preliminary title report (the "Report") dated _____ issued by _____ (the "Title Company") with respect to the Property. Buyer hereby acknowledges that it has received a copy of the Report.

Seller covenants and agrees during the term of this Escrow, that Seller will not cause or permit title to the Property to differ from the Approved Condition of Title described in this Section 6. Any liens, encumbrances, easements, restrictions, conditions, covenants, rights, rights-of-way, or other matters affecting the Approved Condition of Title which may appear of record or be revealed after the date of the Report, shall also be subject to Buyer's approval and must be eliminated or ameliorated to Buyer's reasonable by Seller prior to the Close of Escrow as a condition to the Close of Escrow for Buyer's benefit

7. Title Policy. Title shall be evidenced by the willingness of First American Title (the "Title Company") to issue its CLTA Standard Coverage Owner's Form Policy of Title Insurance (the "Title Policy") in the amount of the Purchase Price showing title to the Property vested in Buyer subject only to the Approved Condition of Title.

8. Conditions to Close of Escrow.

a. Conditions to Buyer's Obligations. The Close of Escrow and Buyer's obligation to consummate the transaction contemplated by this Agreement are subject to the satisfaction of the following conditions for Buyer's benefit on or prior to the dates designated below for the satisfaction of such conditions:

(1) Title. As of the Close of Escrow, title to the Property shall be subject only to the Approved Condition of Title.

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(2) Representations, Warranties, and Covenants of Seller. Seller shall have duly performed each and every agreement to be performed by Seller hereunder and Seller's representations, warranties, and covenants set forth in Section 14 shall be true and correct as of the Closing Date.

b. Conditions to Seller's Obligation. For the benefit of Seller, the Close of Escrow shall be conditioned upon the occurrence and satisfaction of each of the following conditions (or Seller's waiver thereof, it being agreed Seller may waive any or all of such conditions):

(1) Buyer's Obligations. Buyer shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Buyer;

(2) Buyer's Representations. All representations and warranties made by Buyer to Seller in this Agreement shall be true and correct as of the Close of Escrow;

(3) Title to Property. The Seller shall have obtained title to the Property in accordance with that certain Purchase and Sale Agreement by and between the Seller and the Regents of the University of California dated _____, 2006 (the "UCLA Agreement").

(4) Approval by Governing Body. The governing body of the Seller shall have duly approved this Agreement and the UCLA Agreement.

9. Deposits by Seller. At least three (3) business days prior to the Close of Escrow, Seller shall deposit or cause to be deposited with Escrow Holder the Grant Deed conveying the Property to Buyer duly executed by Seller, acknowledged and in recordable form, substantially similar to Exhibit "B." Upon receiving said executed Grant Deed, escrow holder is instructed to forward a copy of Grant Deed to Buyer so that an Original Certificate of Acceptance can be attached.

10. Deposits by Buyer. Buyer shall deposit, or cause to be deposited with Escrow Holder, the funds which are to be applied toward the payment of the Purchase Price in the amounts and at the times designated in Section 4 above (as reduced by the prorations and credits hereinafter provided).

11. Costs and Expenses. The cost and expense of the Title Policy attributable to CLTA coverage, plus the cost attributable to an endorsement insuring Buyer's title against any mechanics' liens as of the Closing Date, shall be paid by Seller. The escrow fee of Escrow Holder shall be paid half by Buyer and half by Seller. Seller and Buyer shall each

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pay half of all documentary transfer taxes, if any, payable in connection with the recordation of the Grant Deed. The amount of such transfer taxes shall not be posted on the Grant Deed, but shall be supplied by separate affidavit. Buyer and Seller shall each pay on its behalf the Escrow Holder's customary charges to Buyer and Seller for document drafting, recording, and miscellaneous charges. If, as a result of no fault of Buyer or Seller, Escrow fails to close, then Buyer and Seller shall each pay half of all of Escrow Holder's fees and charges. Buyer may at its option purchase an ALTA Policy of Title Insurance and any additional cost for such policy above the CLTA Policy shall be paid for by Buyer.

12. Taxes. Seller is responsible for all real and personal property taxes and assessments on the Property before the Close of Escrow, including without limitation, any real and personal property taxes. Buyer is responsible for all real and personal property taxes and assessments on the Property upon the Close of Escrow, including, without limitation, any real and personal property taxes.

13. Disbursements and Other Actions by Escrow Holder. Upon the Close of Escrow, the Escrow holder shall promptly undertake all of the following in the manner indicated:

a. Prorations. Prorate all matters referenced herein, based upon the statement delivered into Escrow signed by the parties.

b. Recording. Cause the Grant Deed and any other documents which the parties hereto may mutually direct, to be recorded in the Official Records of Los Angeles County, California, in the order set forth in this subparagraph. Escrow Holder is instructed not to affix the amount of documentary transfer tax on the face of the Deed, but to supply same by separate affidavit.

c. Funds. Disburse from funds deposited by Buyer with Escrow Holder toward payment of all items chargeable to the account of Buyer, pursuant thereto in payment of such costs, and disburse the balance of such funds, if any, to Buyer.

d. Documents to Buyer. Deliver the Seller's Certificate and Bill of Sale, executed by Seller, and, when issued, the Title Policy to Buyer.

e. Pay demands of existing lienholders. Pay all demands of lienholders with valid claims as of the Closing Date.

14. Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement, and as an inducement to Buyer to purchase the Property, Seller makes following representations and warranties, each of which is material and is being relied upon

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by Buyer (and the continued truth and accuracy of which shall constitute a condition precedent to Buyer's obligations hereunder):

a. Authorization. This Agreement has been duly and validly authorized, executed and delivered by Seller, and no other action is requisite to the execution and delivery of this Agreement by Seller, other than as set forth in Section 8, above.

b. Threatened Actions. There are no actions, suits or proceedings pending against, or, to the best of Seller's knowledge, threatened or affecting the Property in law or equity.

c. Hazardous Substances. Seller has provided Buyer with and Buyer hereby acknowledges receipt of a Phase I report dated June 8, 2006 (the "Phase I Report"), a Natural Hazards Disclosure, and a Military Ordnance Locations Disclosure (collectively, the "Disclosures"). As set forth in the Disclosures, Seller has no actual knowledge that there are hazardous substances (as defined below) in existence on or below the surface of the Property (including, without limitation, any Improvements thereon), including without limitation, contamination of the soil, subsoil or groundwater, which constitutes a violation of any law, rule, or regulation of any governmental entity having jurisdiction thereof, or which exposes Buyer to liability to third parties. Seller has not used the Property, or any portion thereof, for the production, disposal, or storage of any hazardous substances, and Seller has no actual knowledge that there has been such prior use of the Property, or any portion thereof; or that there has been any proceeding or inquiry by any governmental authority with respect to the presence of such hazardous substances on the Property or any portion thereof. Without limiting the other provisions of this Agreement, Seller shall cooperate with Buyer's investigation of matters relating to the foregoing provisions of this Section, and provide access to the Property for Buyer to conduct, as Buyer's sole expense, investigations of the Property for the presence of any Hazardous Substances (as defined below), and copies of, any data and/or documents dealing with potentially Hazardous Substances used at the Property and any disposal practices followed. Seller agrees that Buyer may, with Seller's prior approval, make inquiries of governmental agencies regarding such matters, without liability to Seller for the outcome of such discussions. For purposes of this Agreement, the term "Hazardous Substances" means: (i) any substance, product, waste, or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environment Response, Compensation and Liability Act (CERCLA), 42 United States Code Section 9601 et seq.; the Hazardous Material Transportation Conservation and Recovery Act, 42 United States Code Section 1801 et seq.; the Resources Conservation and Recovery Act, 42 United States Code Section 6901 et seq.; the Clean Water Act, 33 United States Code Section 1251 et seq.; the Toxic Substances Control Act, 15 United States Code Section 2601 et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100 et seq.; the California Hazardous Substance Account

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Act, Health and Safety Code Section 25330 et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5 et seq.; California Health and Safety Code Section 25280 et seq. (Underground Storage or Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1 et seq.; California Health and Safety Code Section 25501 et seq. (Hazardous Materials Release Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000 et seq., all as amended (the above-cited California state statutes are hereinafter collectively referred to as "the State Toxic Substances Laws") or any other federal, state, or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous or toxic substance hereafter in effect; (ii) any substance, product, waste, or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (iii) petroleum or crude oil other than petroleum and petroleum products which are contained within regularly operated motor vehicles; and (iv) asbestos.

15. Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement, and as an inducement to Seller to sell the Property to Buyer, Buyer makes the following representations and warranties, each of which is material and is being relied upon by Seller (the continued truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder):

a. This Agreement and all documents executed by Buyer under this Agreement which are to be delivered to Seller are, or at the time of Close of Escrow will be, duly authorized, executed, and delivered by Buyer, and are, or at the Close of Escrow will be legal, valid, and binding obligations of Buyer, and do not, and at the Close of Escrow will not violate any provisions of any agreement or judicial order to which Buyer is a party or to which it is subject.

b. The representations and warranties of Buyer set forth in this Agreement shall be true on and as of the Close of Escrow as if those representations and warranties were made on and as of such time.

16. Buyer's Covenants. Buyer hereby covenants and agrees as follows:

a. Use of Property. The Property is within the project area of the Redevelopment Plan for the Culver City Redevelopment Project, Component Area No. 3, which was adopted and amended by ordinances of the City Council of the City of Culver City (the "Redevelopment Plan"), incorporated herein by this reference, and the Community Redevelopment Law of the State of California (California Health and Safety Code §§33000,

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et seq.). During the time the Redevelopment Plan is in effect, Buyer hereby agrees that the Property shall only be used for commercial uses in accordance with the Redevelopment Plan.

b. Nondiscrimination. As a material part of the consideration for this Agreement, Buyer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, that in perpetuity Buyer and its successors and assignees shall refrain from restricting the rental, sale or lease of the Property on the basis of the race, color, creed, religion, sex, marital status, national origin or ancestry of any person. Buyer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof that all deeds, leases or contracts pertaining to the sale, rental or lease of the Property or portion thereof shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(1) In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(2) In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall lessee itself, or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land herein leased."

(3) In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with

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reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land.”

17. Property Sold “AS IS”. The Property (including without limitation the Improvements thereon) shall be conveyed in an “as is” condition, with no warranty, express or implied by the Seller as to the condition of the property, land, improvements, ground, soil (or water), its geology, or the presence of known or unknown faults or as to the condition of the Property (including without limitation the Improvements thereon) or as to the presence of any Hazardous Substance or of any other material of any kind, including without limitation debris and solid waste. It shall be the sole responsibility of the Buyer, at the Developer’s expense, to investigate and determine the condition of the Property (including the property, land, Improvements, ground, soil or water, its geology, or the presence of known or unknown faults or as to the condition of the Improvements or as to the presence of any Hazardous Substance or of any other material of any kind, including without limitation debris and solid waste) and the suitability of the Property (including without limitation the Improvements thereon) for the development and/or use by the Buyer. If the condition of the Property (including without limitation the Improvements thereon), or any part thereof, or any other matter referred to in the preceding sentence is not in all respects entirely suitable, and/or the Improvements are not in all respects entirely suitable, for the use or uses to which the Property (including without limitation the Improvements thereon) will be put, then it is the sole responsibility and obligation of the Buyer to take such action as may be necessary to place the Property (including without limitation the Improvements thereon) and the condition thereof (including any matter referred to in the preceding sentence) in all respects in a condition entirely suitable for the Buyer’s development and/or use of the Property (including without limitation the Improvements thereon).

The Buyer is responsible to conduct and pay for all investigation and remediation of Hazardous Substances that may be required for Buyer’s use and/or development of the Property (including without limitation the Improvements thereon), and waives all rights to seek recovery of any such environmental costs incurred from the Seller, the City of Culver City or from the property owners from whom the Seller acquired the properties which comprise the Site.

Buyer acknowledges that any information provided by Seller, its agents or employees, including, without limitation, the Phase I Report, an appraisal and a preliminary title report, are provided for information purposes only, and no representation or warranty is made as to the accuracy or completeness of such information. Buyer further acknowledges that at the Close of Escrow, Buyer shall have had every opportunity to inform itself of and be aware of all zoning regulations, other governmental requirements, site and physical conditions, including, without limitation, soils conditions, availability and quality of the water supply, special districts, and other matters affecting the use and condition of the

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Property, and agrees to purchase the Property in its "as is" condition at the Close of Escrow. In addition, without limiting the generality of the foregoing, Buyer hereby releases Seller, the City of Culver City, their respective officers, agents and employees from any and all claims, losses, damages, liabilities and penalties which arise from or are connected in any way with the environmental condition of the Property. In this regard, Buyer expressly waives any rights or benefits available to it under the provisions of section 1542 of the California Civil Code, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

"Hazardous Substance" as used herein, shall have the meaning as set forth in Section 15.c., above. Buyer acknowledges that by disclosing these matters above, Seller has complied fully with Section 25359.7 of the California Health and Safety Code.

18. Damage or Condemnation Prior to Closing. Seller shall promptly notify Buyer of any knowledge by Seller of casualty to the Property or any condemnation proceeding commenced prior to the Close of Escrow. If any such damage or proceeding relates to, or may result in, the loss of any material portion of the Property, Seller or Buyer may, at their option, elect either to:

a. terminate this Agreement, in which event all funds deposited into Escrow by Buyer shall be returned to Buyer and neither party shall have any further rights or obligations hereunder or

b. continue the Agreement in effect, in which event upon the Close of Escrow, Buyer shall be entitled to any compensation, awards, or other payments or relief resulting from such casualty or condemnation proceeding.

19. Notices. All legally required notices shall be in writing, and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, telegraphed, delivered, or sent by telex, telecopy, or cable, and shall be deemed received upon the earlier of (a) if personally delivered, the date of delivery to the address of the person to receive such notice, (b) if mailed, four (4) business days after the date of posting by the United States post office, (c) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (d) if given by telex or facsimile, when sent. Any notice, request, demand, direction, or other communication sent by cable, telex, or facsimile must be confirmed within forty-eight (48) hours by letter mailed or delivered in accordance with the foregoing:

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To Seller: Culver City Redevelopment Agency
Attn: Assistant Executive Director
9770 Culver Boulevard
Culver City, CA 90230-0507
Facsimile: (310) 253-5779
Telephone: (310) 253-5765

To Buyer: Malakzad Trust
Attention: Nooshin Malakzad

Notice of change of address shall be given by written notice in the manner detailed in this paragraph. Rejection or other refusal to accept, or the inability to deliver because of changed address of which no notice was given, shall be deemed to constitute receipt of the notice, demand, request, or communication sent.

20. Legal Fees. In the event either party brings any action or suit against the other party hereunder by reason of any breach of any of the covenants or agreements, or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then the prevailing party in such action or dispute, whether by final judgment or out of court settlement, shall be entitled to have and recover, of and from the other party, all costs and expenses of suit, including reasonable attorney's fees.

21. Assignment. Buyer may not assign, transfer or convey its rights or obligations under this Agreement without the prior written consent of Seller, and then only if Buyer's assignee assumes in writing all of Buyer's obligations hereunder; provided, however, Buyer shall in no event be released from its obligations hereunder by reason of such assignment.

22. Miscellaneous.

a. Survival of Covenants. The covenants, representations and warranties of both Buyer and Seller set forth in this Agreement shall survive the recordation of the Grant Deed and the Close of Escrow.

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b. Required Actions of Buyer and Seller. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated, and shall use their best efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

c. Time of Essence. Time is of the essence of each and every term, condition, obligation, and provision hereof.

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

e. Captions. Any captions to, or headings of, the paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

f. No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties hereto, to any person or entity other than the parties hereto.

g. Exhibits and Schedules. The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference.

h. Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

i. Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

j. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, with the exception of definitions to be construed under Federal laws cited in Paragraph 14. j.

k. Fees and Other Expenses. Except as otherwise provided herein, each of the parties shall pay its own fees and expenses in connection with this Agreement.

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l. Entire Agreement. This Agreement supersedes any prior agreements, negotiations, and communications, oral or written, and contains the entire agreement between Buyer and Seller as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party shall be of any effect unless it is in writing and executed by the party to be bound thereby.

m. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

23. Indemnification of Escrow Holder.

a. If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold Escrow Holder free and harmless from any loss or expense, including attorney's fees, that may be suffered by it by reason thereof except for losses or expenses as may arise from Escrow Holder's negligent or willful misconduct. If conflicting demands are made or notices served upon Escrow Holder with respect to this Agreement, the parties expressly agree that Escrow Holder shall be entitled to file a suit in interpleader and obtain an order from the court requiring the parties to interplead and litigate their several claims and rights among themselves. Upon the filing of the action in interpleader, Escrow Holder shall be fully released and discharged from any obligations imposed upon it by this Agreement, and

b. Escrow Holder shall not be liable for the sufficiency or correctness as to form, manner, execution, or validity of any instrument deposited with it, nor as to the identity, authority or rights of any person executing such instrument, nor for failure of Buyer or Seller to comply with any of the provisions of any agreement, contract or other instrument filed with Escrow Holder, or referred to herein. Escrow Holder's duties hereunder shall be limited to the safekeeping of all monies, instruments, or other documents received by it as Escrow Holder, and for their disposition in accordance with the terms of this Agreement.

[Signatures on following pages]

Culver City Redevelopment Agency
APN Nos. 4206-015-901, 016-900, 013-903, 016-902

IN WITNESS WHEREOF, the parties hereto have executed this Agreement
as of the day and year first above written.

"Seller"
CULVER CITY REDEVELOPMENT
AGENCY, a public body corporate and politic

Dated _____

By _____
Susan Evans, Assistant Executive Director

APPROVED AS TO FORM:

KANE, BALLMER & BERKMAN
General Counsel

"Buyer"
MALAKZAD TRUST

Dated _____

By: _____
Name: _____
Its Trustee

[Signatures continue on following page]

Culver City Redevelopment Agency
APN Nos. 4206-015-901, 016-900, 013-903, 016-902

Acceptance by Escrow Holder:

_____ hereby acknowledges that it has received a fully executed counterpart of the foregoing Agreement of Purchase and Sale and Joint Escrow Instructions and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow.

Dated: _____

[ESCROW]

By: _____
Name: _____
Its: _____

Culver City Redevelopment Agency
APN Nos. 4206-015-901, 016-900, 013-903, 016-902

EXHIBIT "A"

LEGAL DESCRIPTION

Real property in the City of Culver City, County of Los Angeles, State of California, described as follows:

PARCEL 1:

Lots 28, 29, 30, 31, 32, 33, 35 and 36 of Tract No. 4161, in the City of Culver City, as per map recorded in Book 46 Page 32 of Maps, in the Office of the County Recorder of said County.

EXCEPT that portion of Lot 36 described as follows:

Beginning at the corner of said Lot 36 which is common to Lots 37, 54 and 55 of said Tract No. 4161, as said Lots are shown on the Record of Survey filed in Book 147 Page 26 of Records of Survey, in the Office of said County Recorder; thence along the Southwesterly line of said Lot 36 North 52° 40' 45" West, 0.51 feet to the center of the eight (8) inch wide (0.67") block wall, (the location of said Wall being determined by field measurements on September 30, 1996); thence, along the center of said Wall North 47° 30' 42" East, 41.12 feet; thence, continuing along the center of said Wall South 71° 20' 42" East, 3.14 feet to the intersection of said Center of Wall with the Southeasterly line of Lot 36, said Point of Intersection being located South 50° 20' 29" West, 0.25 feet along said Southeasterly line from the corner of said Lot 36 common to Lots 35, 55, and 56 of said Tract No. 4161; thence, along said Southeasterly line South 50° 20' 29" East, 45.60 feet to the point of beginning.

PARCEL 2:

Parcel 13, in the City of Culver City, as per record of Survey Map, filed in Book 81 Page 95 of Records of Survey, in the Office of the County Recorder of said County.

EXCEPT therefrom that portion described as follows:

Beginning at the most Northerly corner of said Parcel 13; thence South 28° 48' 01" West, 243.74 feet to the most Southerly corner of said Parcel 13; thence Northeasterly and Northwesterly, along the Southeasterly and Northeasterly boundaries of said Parcel 13 to the point of beginning.

ALSO EXCEPT from the remainder thereof that portion lying Northeasterly of the Southeasterly prolongation of that certain course in the boundary of said Parcel shown on said map as North 35° 41' 00" West 110.00 feet.

Culver City Redevelopment Agency

APN Nos. 4206-015-901, 016-900, 013-903, 016-902

ALSO EXCEPT therefrom all the minerals, oil, gas, and other hydrocarbon substances, below a depth of 500 feet from the surface of said land but without any right to enter upon or disturb the ground within 500 feet of the surface thereof, dated March 4, 1963, as granted to Janus Oil Company, a partnership, in Deed recorded April 19, 1963 in Book D-1998 Page 819, Official Records.

APN: 4206-015-901 and 4206-016-900 and 4206-013-903 and 4206-016-902

EXHIBIT B

GRANT DEED
(Attached)

Recorded at the request of
Culver City
Redevelopment Agency, a
public body corporate and
politic

When Recorded Mail to:
Culver City Redevelopment
Agency,
Attn: Econ. Dev. Mgr
9770 Culver Boulevard
Culver City, CA 90230-0507

Space above this line for Recorder's Use

This document is recorded for the benefit of the Culver City
Redevelopment Agency and is therefore exempt from the payment of
the recording fee pursuant to Government code Section 6103 and
from the payment of the documentary transfer tax pursuant to
Revenue and Taxation Code Section 11922.

GRANT DEED

Assessor's Parcel Numbers: 4206-015-901, 016-
900, 013-903, 016-902

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the
CULVER CITY REDEVELOPMENT AGENCY, ("Grantor"), hereby grant(s) to to
_____, as Trustee of the Malakzad Trust under that certain Trust Agreement
dated _____, ("Grantee") all that real property in Los Angeles, County of Los
Angeles, State of California, as described in Exhibit "A" attached hereto and incorporated herein
by reference (the "Property") and in accordance with the following:

1. Use of Property. The Property is within the project area of the Redevelopment
Plan for the Culver City Redevelopment Project, Component Area No. 3, which was adopted and
amended by ordinances of the City Council of the City of Culver City (the "Redevelopment
Plan"), incorporated herein by this reference, and the Community Redevelopment Law of the
State of California (California Health and Safety Code §§33000, *et seq.*). Grantee covenants and
agrees for itself, its successors, its assigns and every successor in interest to the Property or any
part thereof that during the time the Redevelopment Plan is in effect, the Property shall only be
used for commercial uses in accordance with the Redevelopment Plan.

2. Obligation to Refrain from Discrimination. Grantee covenants and agrees for
itself, its successors, its assigns and every successor in interest to the Property or any part thereof,
that in perpetuity there shall be no discrimination against or segregation of any person, or group
of persons, on account of race, color, creed, religion, sex, marital status, national origin or
ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property
nor shall Grantee itself or any person claiming under or through it establish or permit any such

practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property.

3. Form of Nondiscrimination and Nonsegregation Clauses. Grantee covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, that in perpetuity Grantee shall refrain from restricting the rental, sale or lease of the Property on the basis of the race, color, creed, religion, sex, marital status, national origin or ancestry of any person. Grantee covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, that all deeds, leases or contracts pertaining to the rental, sale or lease of the Property shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

- a. In deeds: "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."
- b. In leases: "The lessee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the leasing, subleasing, renting, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall lessee itself, or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land herein leased."

- c. In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land."

Dated this ____ day of _____, 2006

“Grantor”

CULVER CITY REDEVELOPMENT AGENCY

Dated _____

By _____

Susan Evans

Its Assistant Executive Director

“Grantee”

MALAKZAD TRUST

Dated _____

By: _____

Name: _____

Its Trustee

EXHIBIT "A"

LEGAL DESCRIPTION
LEGAL DESCRIPTION

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ALSO EXCEPT therefrom all the minerals, oil, gas, and other hydrocarbon substances, below a depth of 500 feet from the surface of said land but without any right to enter upon or disturb the ground within 500 feet of the surface thereof, dated March 4, 1963, as granted to Janus Oil

Company, a partnership, in Deed recorded April 19, 1963 in Book D-1998 Page 819, Official Records.

APN: 4206-015-901 and 4206-016-900 and 4206-013-903 and 4206-016-902