MEETING DATE: 07/23/07

AGENDA ITEM: Public Hearing on Appeal of the Planning Commission's Denial of a Site Plan Review; Administrative Use Permit; and Administrative Modification for a proposed Mixed Use Development of 23 Residential Units with Ground Floor Retail at 9900 Culver Boulevard. **(ITEM CONTINUED FROM 07/09/04).**

ATTACHMENTS

ATTACHMENT 1

City of Culver City, California

Redevelopment Agency Agenda Item Report

Meeting Date: 06/19/06	Item Number: ______
AGENDA ITEM: A Public Hearing Approving Purchase and Sale Agreements for property located at 9900 Culver Boulevard, 4043 Irving Place and 9415 Venice Boulevard.	
Contact Person/Dept.: Alicia Weintraub	Phone Number: 310-253-5778
Fiscal Impact: Yes [X] No []	General Fund: Yes [] No [X]
Public Hearing: [X] Action Item: [X]	Attachments: [X]
Public Notification: Master Notification List (06/13/06), Published in the Culver City News on June 1st, 8th and 15th 2006. Postcards mailed to all owners and occupants located within 300 feet of properties located in Culver City, including the Culver City United School District. Notice sent to planning deputy for Councilmember Wesson and all respondents to the RFP.	
Department Approval: Susan Evans	Exec. Director Approval: Jerry Fulwood
City Controller Approval: Marlee Chang	

RECOMMENDATION:

Staff recommends that the Culver City Redevelopment Agency (the "Agency") approve purchase and sale agreements with SPF:a for the sale of 9900 Culver Boulevard, Second Street Ventures/Standard Pacific for the sale of 4043 Irving Boulevard, and Howard Kornberg for the sale of 9415 Venice Boulevard.

PROCEDURE (Noticed Public Hearing):

Agency Chair:	Announces that this is the time and place for the hearing of protests or objections regarding the sale of Agency property located at 9900 Culver Boulevard, 4043 Irving Place and 9415 Venice Boulevard.
Agency Chair:	Agency Chair seeks motion from Agency to receive and file the affidavits of mailing, publication and posting of notices, and correspondence received in response to the public hearing notices.
Agency Chair and Agency:	Chair inquires of the Agency Secretary whether any correspondence was received regarding the proposed disposition of real property.
Agency	Announces the number of written protests received and

Secretary:	verifies that all protests have been delivered to the Agency.
Agency Chair:	Calls to the podium those individuals who filed a written protest, who wish to make oral protests or presentations.
Staff:	Reports on protests received and provides staff report.
Agency Chair and Agency:	Moves to declare the Public Hearing closed.

BACKGROUND:

On March 20, 2006, the Agency authorized staff to issue a Request for Proposal ("RFP") for three sites that are currently used as surface parking lots. The use of these three sites as surface parking lots is not the highest and best use for these properties and does not generate any significant revenue to the Agency. The RFP was sent out or given out to the following individuals:

1. All developers who have expressed interest in Culver City; and
2. A comprehensive list of all brokers in Culver City; and
3. Interested parties who attended a Chamber of Commerce luncheon which featured the sale of these lots; and
4. Interested parties who contacted the Community Development Department after learning of this RFP through other means.

Below is a description of each site:

9900 Culver Boulevard: The Agency purchased this property from the City in 2000. This site is 17,930 square feet and is adjacent to the United States Post Office and is currently improved as a 36-space public parking lot. This parking is not required parking for either the Post Office or City Hall. The Agency does not receive any revenue from this parking lot. This property was appraised at $2,692,910.

Prior to the RFP being issued and after the responses were received, staff spoke with Laureen Yamakido, Real Estate Specialist of the U.S. Postal Service. At this time the Post Office has not committed to being a part of this project. However, SPF:a has stated that they will contact the U.S. Postal Service and share their plans with them and discuss different possible options for the site.

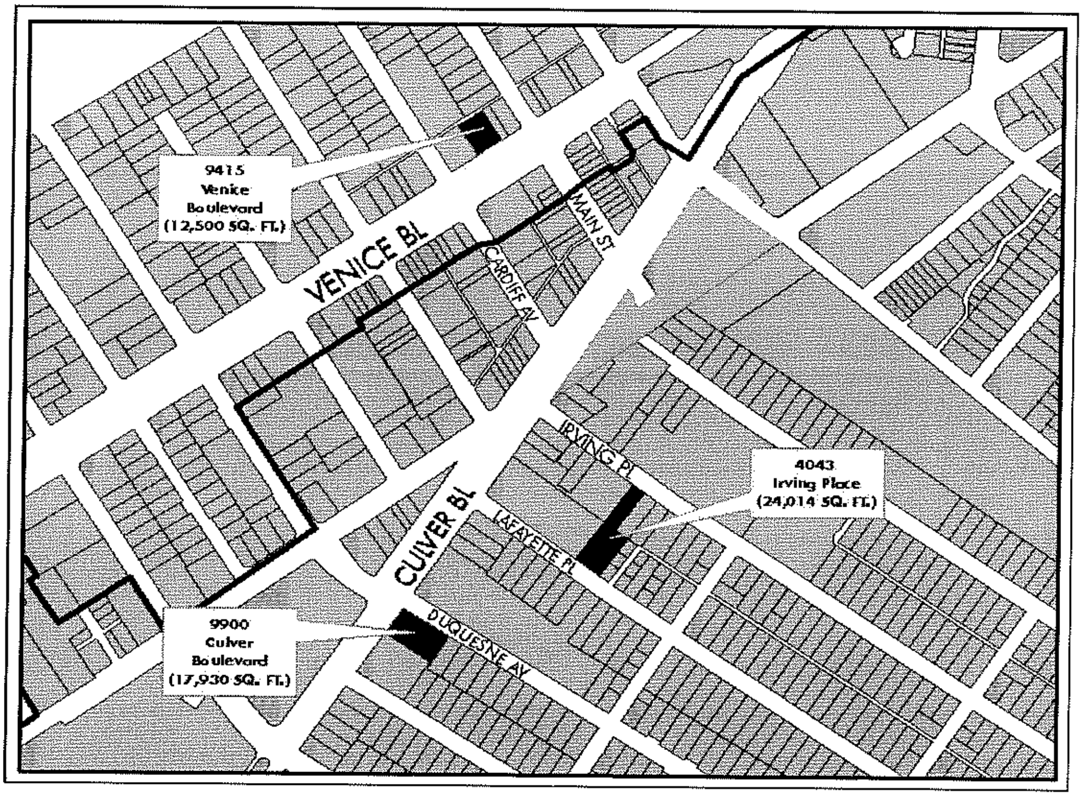
4043 Irving Place: This site is the former Coast Media Building and is currently improved as a 67-space public parking lot. The site is approximately 24,014 square feet. The Culver City Unified School District ("CCUSD") has permission to use 40 of these spaces exclusively from 6 a.m. to 6 p.m., Monday through Friday. There is no formal contract with CCUSD for these spaces and the CCUSD does not pay a monthly fee to utilize these spaces. Staff met with David El Fattal, Assistant Superintendent Business Services on March 15, 2006, to share a copy of the RFP and to discuss other parking options available to the CCUSD in Downtown Culver City.

In addition, Happy Land Preschool uses a few spots for short term drop off, also with no formal contract with the Agency and has not paid any fees to the Agency for the use of these spots. Staff met with the owner of Happy Land Preschool on March 16, 2006 to share a copy of the RFP and to discuss other parking options available for the parents of Happy Land students.

This property was appraised at $3,600,000.

9415 Venice Boulevard: This site is currently improved as a surface parking lot and has 32 parking spaces and is 12,500 square feet. Kayne-Eras Center rents this lot from the Agency on a monthly basis to park their school buses. They pay the Agency a monthly fee of $1,085. Kayne-Eras was made aware of the RFP prior to it being issued. A termination of the agreement with Kayne-Eras has been issued with a termination date set for August 1, 2006.

This property was appraised at $1,880,000.



DISCUSSION:

Responses to the RFP were due on April 17, 2006.

9900 Culver Boulevard

Staff received seven high quality development proposals for the 9900 Culver Boulevard property. Below is a brief description of each response. A more detailed analysis of the responses is provided in Attachment Number 4.

Firm	Type of Project	Offer (appraised value $2,692,910)	Number of Units	Retail Sq. Footage
Metro Real Estate & Development	Mixed-Use	$3,000,000	21 units	5,000 sq. ft
PNK Group Investments	Hotel	$2,700,000	88 rooms	0 sq. ft.
Second Street Ventures/Standard Pacific	Mixed-Use	$2,692,910	24 units	4,000 sq. ft.

Combined Properties	Mixed-use	$2,500,000	23 units	5,000 sq. ft.
SPF:A	**Mixed-use**	**$2,500,000**	**25 units**	**7,500-,8000 sq. ft.**
Entrada	Hotel	$2,300,000	88 rooms	0
Gilmore/Gonen/Change	Mixed-Use	$1,000,000 up front with a possible back end land bonus of an additional $1.5 million	26 units	10,500 sq. ft.

Staff interviewed all seven respondents. What separated SPF:a from the other respondents was their recent experience in developing a similar property in Culver City. Their recent mixed-use project at 8609 Washington Boulevard showcases the high quality development that SPF:a is proposing for the 9900 Culver Boulevard site. The units being proposed at 9900 Culver Boulevard would be built with the same high quality as their 8609 Washington project, which are expected to start selling at $900,000. SPF:a already has an interest list of over 200 people interested in the 8609 Washington project with no presale advertising.

In addition SPF:a is committed to securing a notable restaurant(s), bar or retailer(s) for this site. SPF:a does not use a broker, but instead does their own personal outreach for their projects. This enabled them to secure Wilson's restaurant. Wilson's restaurant is owned by Chef Michael Wilson formerly of 5 Dudley. Wilson was interested in Culver City because of the opportunity to locate in the SPF:a project. SPF:a has committed to doing the same type of outreach to secure the right tenant(s) for the 9900 Culver project. As a result of their commitment to include retail in this project, which staff sees as very beneficial, their offer amount is less because the amount of retail which they are providing requires an extra level of parking which is an added cost to the project.

Another benefit to selling the property to SPF:a is that because they do not have any other development projects in their pipeline, they will be able to devote a significant amount of time to this project which will enable it to move along faster than some of the other proposals.

The proposals for this site were shared with ACOR at their May 4, 2006, meeting. ACOR felt that a hotel would be best suited for this site because it would best activate the Downtown. However, reservations were raised about the size of this site for a hotel and how important it was for a hotel to have a full service restaurant, bar, pool, gym and spa for it to be successful.

After lengthy review, staff believes that this site is too small for a hotel and that the amenities required for a hotel to be successful would not have been able to be provided at this site due to its small size.

Members of ACOR did state that the retail uses proposed by SPF:A were the types of uses that they expected to see in a site of this size.

4043 Irving Place

Staff received three high quality development proposals for the 4043 Irving Place property. Below is a brief description of each response. A more detailed analysis of the responses is provided in Attachment Number 5.

Firm	Type of Project	Offer (appraised value $3,600,000)	Number of Units	Ground Floor Use
Second Street Ventures/Standard Pacific	Stacked Flats over Office Space	$3,700,000	34	Office
Metro Real Estate & Development	Live-Work	$3,600,000	18	Live Work use
Pacifica Ventures/Laing Urban	School District Headquarters	$1,900,000	0	Office

Staff interviewed all three respondents. What separated Second Street Ventures and Standard Pacific from the other respondents is the amount of projects they have completed that are similar to the project they are proposing. In addition they are exploring working with one of the adjacent property owners to ensure the best use of the site and its overall compatibility to adjacent uses. The design they have proposed is very complementary in architectural detail to both the Meralta building and City Hall.

9415 Venice Boulevard

Staff received two offers for this site. Unlike the two other properties, the RFP for the Venice property did not require an in-depth proposal due to it being located in the city of Los Angeles, but rather an offer accompanied by a brief description of the proposed use. Due to the similarity in proposed uses, staff recommends approving a purchase and sale agreement with Howard Kornberg, who presented the highest offer.

Firm	Type of Project	Offer (appraised value $1,880,000)
Howard Kornberg (adjacent property owner)	Mixed-Use	$1,500,000
Eitan Gonen	Live-Work lofts	$1,050,000

The offer from Howard Kornberg is an all cash offer with no contingencies.

Process

All escrows are for 45 days. Once escrow has closed, staff will work closely with both SPF:A and Second Street Ventures/Standard Pacific on their proposed projects.

FISCAL ANALYSIS:

The Agency would receive the total sale price for all three properties.

9900 Culver Boulevard: $2,500,000
4043 Irving Boulevard: $3,600,000
9415 Venice Boulevard: $1,500,000

ATTACHMENTS:

1. Purchase and Sale Agreement with SPF:a
2. Purchase and Sale Agreement with Second Street Ventures/Standard Pacific
3. Purchase and Sale Agreement with Howard Kornberg Family Trust
4. Matrix 9900 Culver Boulevard
5. Matrix 4013 Irving Place
6. Matrix 9415 Venice Boulevard

MOTION:

That the Culver City Redevelopment Agency:

City of Culver City, California

Redevelopment Agency Agenda Item Report

Approve Purchase and Sale Agreements with SPF:a (9900 Culver Boulevard), Second Street Ventures/Standard Pacific (4043 Irving Place), and Howard Kornberg Family Trust (9415 Venice Boulevard).

ATTACHMENT 2

Culver CITY

REDEVELOPMENT AGENCY

REQUEST FOR PROPOSAL

Development Opportunity: Three Sites Located at 9900 Culver Boulevard, 4043 Irving Place and 9415 Venice Boulevard

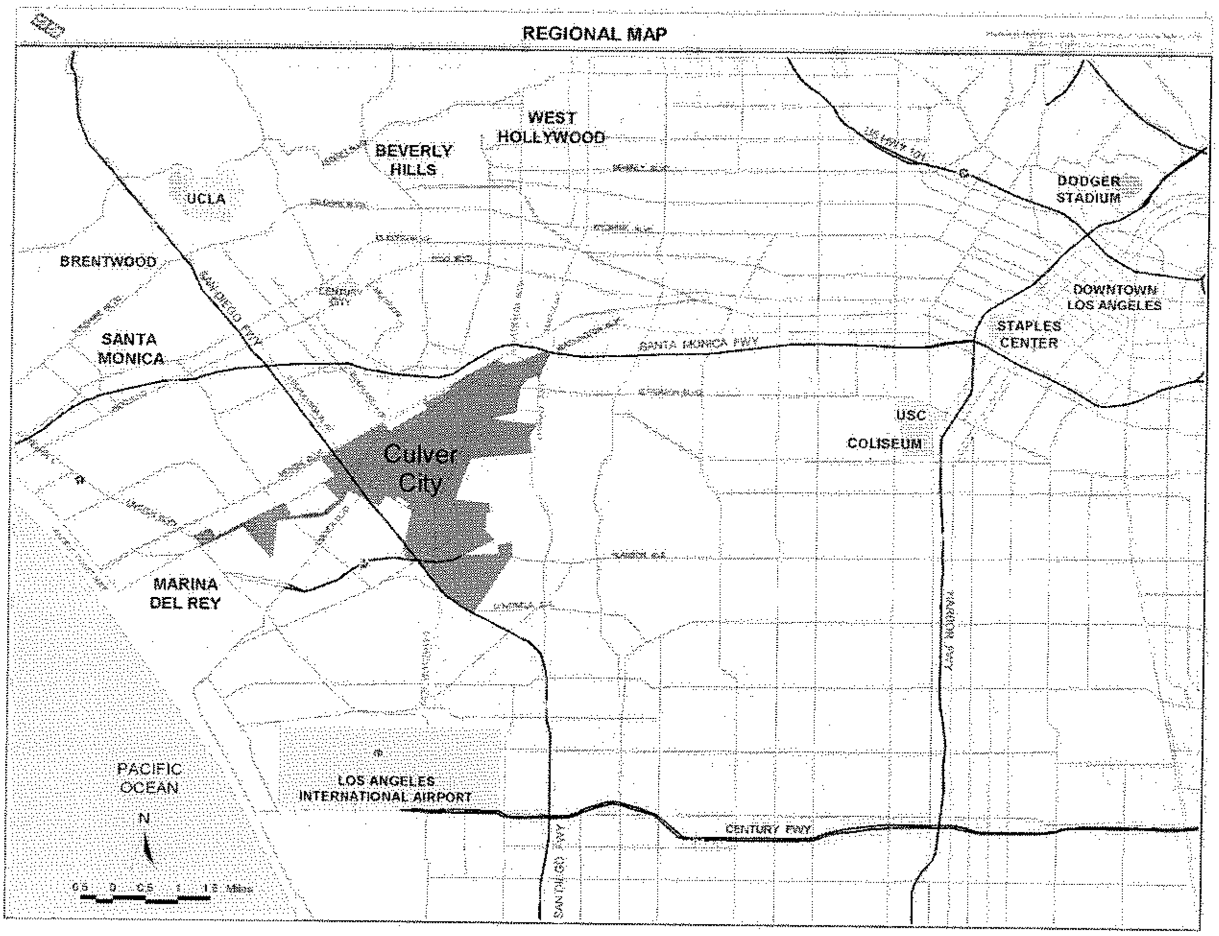
Submittal Deadline: April 17, 2006

DEVELOPMENT OPPORTUNITY

The Culver City Redevelopment Agency ("Agency") currently owns three surface parking lots, two within downtown Culver City and one within the City of Los Angeles. The Agency is seeking proposals to develop and purchase all three sites. Interested parties may submit proposals for one or more sites.

The goal is to develop the two parking lots within the City of Culver City into two separate high quality development projects. The development of the third parking lot, which is located in the City of Los Angeles, will need to be approved by the City of Los Angeles. Current parking provided on the three sites will not need to be replaced by the new developments.

The two development opportunity sites located in downtown Culver City are strategically located adjacent to Sony Pictures Entertainment, the Kirk Douglas Theatre, outdoor cafes, unique shops and galleries, cutting edge media facilities and creative arts workshops. The development opportunity located within the City of Los Angeles is immediately outside of the Culver City jurisdiction.



CULVER CITY FACTS

The City of Culver City is a charter city incorporated in 1917, with a population of approximately 40,000 within five square miles. Culver City is located eight miles west of Downtown Los Angeles and six miles north of Los Angeles International Airport. It is also strategically located near the intersection of the Santa Monica (I-10) and San Diego (I-405) Freeways, and the eastern terminus of the Marina Freeway (SR-90).

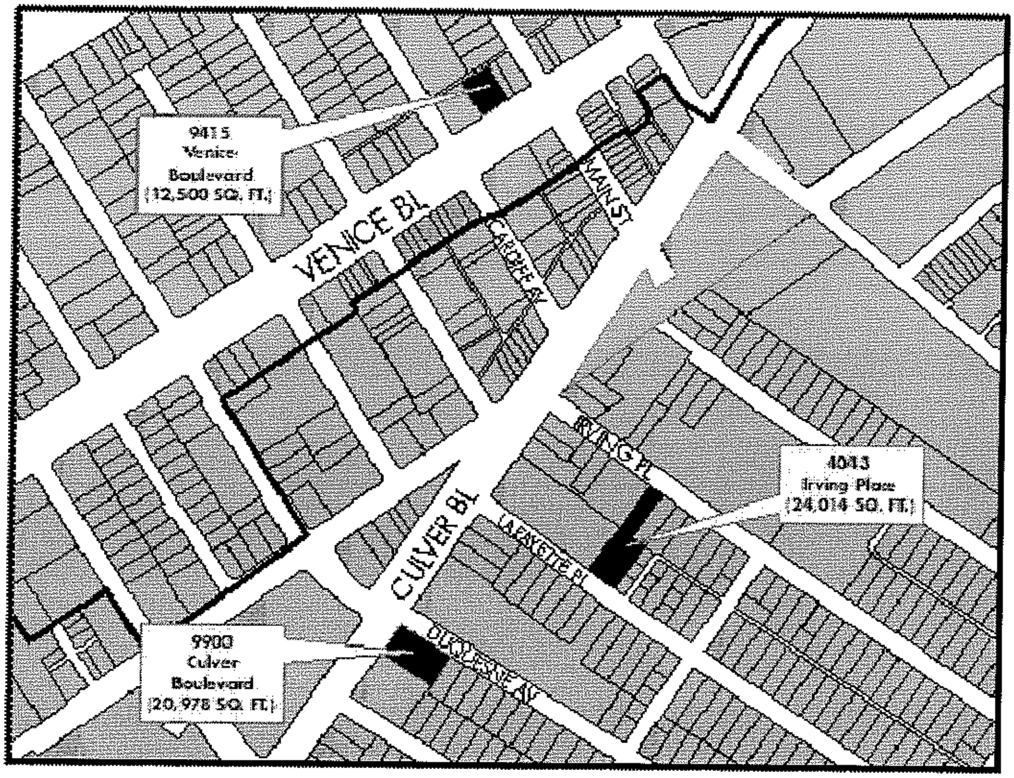
The Culver City Redevelopment Agency was formed in 1971. The Culver City Redevelopment Project Area encompasses over forty percent of the city's land area and includes most of the City's commercial and industrial areas. The Site, which is the subject of this RFP, is located within the Culver City Redevelopment Project Area.

DEVELOPMENT SITES

9900 Culver Boulevard is approximately 20,978 square feet and is located at the southwest corner of Culver Boulevard and Duquesne Avenue. The site is adjacent to the United States Post Office and is currently improved as a 36-space public parking lot. Two thirds of the site is zoned General Commercial (CG) and one third is zoned Medium Density Multiple-Family Residential District (RMD). Therefore, two thirds of the site may be developed as a mixed-use project and one-third as purely residential per the guidelines set forth in the Culver City Zoning Code. The site is designated Downtown in the General Plan and is located in Component Area #3 in the Redevelopment Project.

4043 Irving Place is approximately 24,014 square feet and is located south of Culver Boulevard east of City Hall. This site is the former Coast Media Building and is currently improved as a 67-space public parking lot. The site is currently zoned Downtown Commercial (CD), and may be developed as a mixed-use or live-work project following the guidelines set forth in the Culver City Zoning Code. The site is designated Downtown in the General Plan and is located in Component Area #3 in the Redevelopment Project.

9415 Venice Boulevard is approximately 12,500 square feet and improved as a surface parking lot with 32 parking spaces. This site is zoned C2-1 and is designated General Commercial. Entitlements for this site must be processed through the City of Los Angeles.



SCOPE OF DEVELOPMENT

The Agency encourages creative proposals from experienced development teams. The Agency's goals for the two sites in Culver City include the following:

- Create projects that enhance the Downtown area and create an environment that residents, employees, and visitors can utilize.

- Attract retail tenants who will both complement and enhance the current mix of retail in the Downtown area.

- Develop a project with an architectural design that is complimentary to the overall design and ambience of Downtown, and most importantly to adjacent residential neighborhoods.

- Design a project that is pedestrian friendly.

AGENCY PARTICIPATION

These three sites are owned by the Agency. It is the expectation of the Agency that the developer will purchase the site/and or sites from the Agency. Developers will be required to have readily available financing for this project. The Agency will work with City of Culver City staff and the selected developer to expedite the entitlement process for the proposed development project.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

New development on these sites shall be subject to specific environmental review as part of the applicable City and Agency review procedures. The Culver City Redevelopment Plan Amendment and Merger Certified Final Program Subsequent Environmental Impact Report (EIR) dated November 18, 1998, has been completed in compliance with CEQA, and that document may be utilized in connection with the environmental review of the proposed development of the sites.

SUBMITTAL REQUIREMENTS

Five copies of the following information, one copy of which must be single-sided and unbound, are requested as part of the submittal requirements. Please use the following format:

1. Letter of Introduction (limited to two pages) - Include the Proposer's basic qualifications and understanding of the proposal.

2. For both 4043 Irving Place and 9900 Culver Avenue, please submit a project proposal, including a conceptual site plan, architectural design concept, identification of the potential retail proposed, and project schedule. For the housing component, please include total number of dwelling units, unit types, type of tenure (for sale or rental), anticipated density, and on-site amenities.

3. For the property located in the City of Los Angeles, a complete development proposal is not required, but please provide a description of future plans for this site.

4. For each property you are submitting a development proposal for, please submit a proposed purchase price.

5. Developer Questionnaire - Include all requested information.

6. Work Load – Provide a list of the firm's current and anticipated major projects to December 30, 2007.

7. References – Include Public Sector references, especially for Public/Private Development Projects.

SELECTION CRITERIA

A concise, professional and complete response to this RFP will help the Agency identify the most qualified development team.

Each proposal submitted will be evaluated based upon the quality of the development, and the qualifications of the entire development team.

SCHEDULE AND PROCESS FOR DEVELOPER SELECTION

- Interviews will be scheduled with the top candidates in April 2006.
- Consideration of Selection Committee Recommendations by the Agency in May 2006.
- Enter Exclusive Negotiation Agreement with Agency June 2006

PROPOSAL DUE DATE

Proposals must be received no later than 4:00 pm on April 17, 2006.
Proposals are to be sent to:

CULVER CITY REDEVELOPMENT AGENCY
P.O. Box 507
9770 Culver Boulevard
Culver City, CA 90232-0507
ATTN: Alicia Weintraub, Project Manager

Right of Rejection

The Agency intends to select a Proposer that demonstrates the highest level of expertise, experience, and financial capabilities to successfully develop high quality development projects. The Agency reserves the right to reject any and all proposals or to re-issue the RFP in full when such action shall be considered in the best interest of the Agency. Nothing herein shall obligate or be deemed to obligate the Agency to accept the Statement of Qualifications/Proposals from any developer(s), or be obligated to select one or more developers for negotiations of a development agreement or to enter into any ENA or DDA. The Agency is not required to accept any proposal.

FOR ADDITIONAL INFORMATION, CONTACT:

Alicia Weintraub, Project Manager, at (310) 253-5778.
Email: Alicia.weintraub@culverciy.org

Kriss Casanova, Management Analyst, at (310) 253-5769.
Email: Kriss.Casanova@culvercity.org

ATTACHMENTS:

Developer Questionnaire.

9900 Culver Blvd. Follow-Up

1. Obtain all RFP's staff reports and correspondence related to the Agency sale and development of the property.

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APPRAISAL

OF

COMMERCIALLY ZONED (CG) AND RESIDENTIALLY ZONED (RMD) LAND

Located at:

9900 Culver Boulevard
Culver City, California 90232

Owner: Redevelopment Agency of Culver City

As of: March 23, 2006

Prepared for:

Kellee Fritzal, Economic Development Administrator
Community Development Department
9770 Culver Boulevard, Culver City, CA 90232
Tel: 310-253-5765

Prepared By:

Tupper W. Lienke, MAI
Certified General Real Estate Appraiser
California Certificate No. AG 001740

Hampstead Appraisal Company
1101 S. Ridgeley Drive
Los Angeles, CA 90019
Tel: 323-939-7200

Hampstead Appraisal Company

Real Estate Appraiser • Consultant

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Web site: www.hampreal.com • e-mail: tupperl@aol.com

TUPPER W. LIENKE, MAI
CERTIFIED GENERAL REAL ESTATE APPRAISER AG001740

March 24, 2006

Kellee Fritzal, Economic Development Administrator
Community Development Department
9770 Culver Boulevard, Culver City, CA 90232
Tel: 310-253-5765

Re: Appraisal of real property located at
9900 Culver Boulevard, Culver City, CA 90232

Owner: Redevelopment Agency of Culver City

Dear Ms. Fritzal,

In response to your specific request and authorization, I have conducted the required investigation, gathered the necessary data and made certain analyses that have enabled the formation of an opinion of the Market Value of the above referenced property. The appraisal states the opinion of the property's Market Value subject to various assumptions and limiting conditions as set forth in the accompanying report.

This report has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice and the Code of Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. Compliance includes the ethics and competency provisions of USPAP but excludes the Departure Provision.

The subject property is a parking lot with 20,978 sf of site area. Two of the three lots are zoned CG (Commercial General) and one lot is zoned RMD (Residential Medium Density), City of Culver City. It is rectangular in shape and has about 107' of frontage to Culver Boulevard and 185' of frontage to Duquesne Avenue.

Based on an inspection of the subject property and the investigation and analyses undertaken, I have formed the opinion, subject to the premises, assumptions and limiting conditions set forth in this report, that the Market Value 'As Is' of the fee simple estate of the subject property, as of March 23, 2006, is:

THREE MILLION ONE HUNDRED SEVENTY THOUSAND DOLLARS

$3,170,000

If you should have any questions concerning this report, please feel free to call. Thank you for this opportunity to provide appraisal service.

Respectfully submitted,

Tupper W. Lienke

Tupper W. Lienke, MAI
Certified General Real Estate Appraiser
California Certificate No. AG 001740

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CONTENTS **PAGE**

Photo #1	Front view of subject

Photo #2	Street scene along Culver Blvd to the east

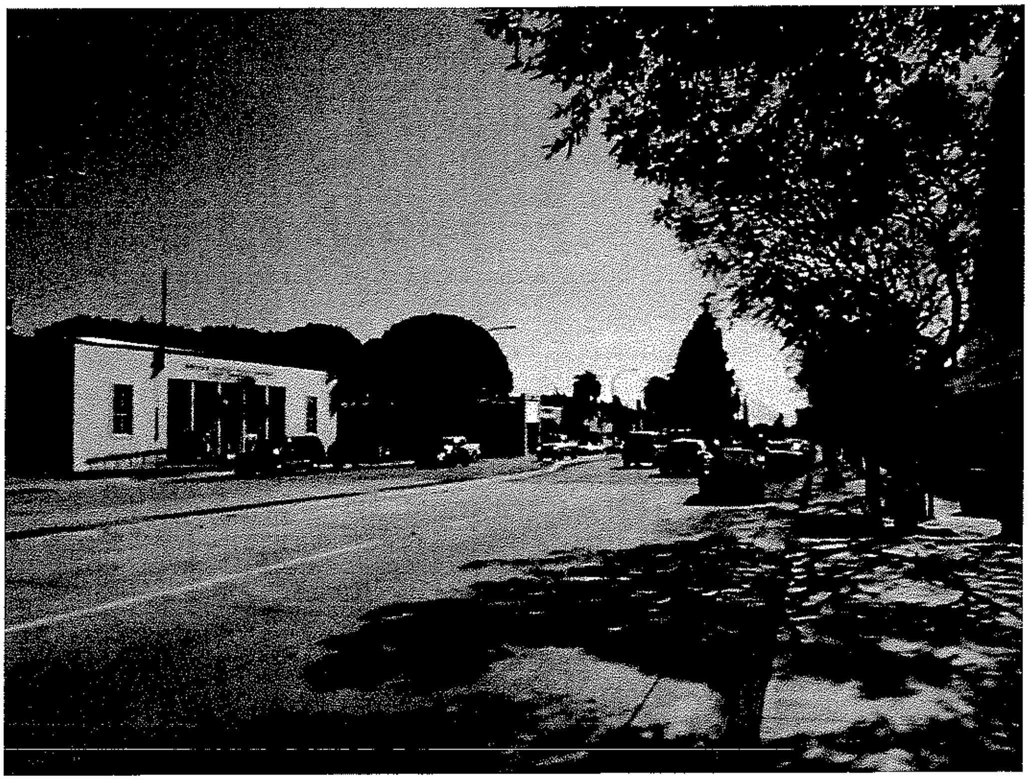

Photo #3	Street scene to the west along Culver Blvd.

SUMMARY OF SALIENT FACTS	
Thomas Guide Map:	672 G1
Property Location:	9900 Culver Boulevard
Type of Property:	Vacant Land
Current Use:	Parking lot
Current Owner:	Redevelopment Agency of Culver City
Census Tract:	7025.01
Flood Map Zone:	060114-0005 C; Zone C. 2/1/1980. No flood hazard.
Interest Appraised:	Fee Simple Estate
Effective Date:	March 23, 2006
Date of Report:	March 25, 2006

PROPERTY DESCRIPTION			
SITE			
APN:	4207-009-900, 902, and 903	**Total Site Area:**	20,978 sf
Zoning:	Culver City: CG & RMD	**Utilities:**	All to Site
Shape:	Rectangular	**Easements:**	Typical Utilities
Topography:	Level Pad	**Site Orientation:**	Corner

VALUE INDICATIONS	Market Value Indication
COST APPROACH	Not Applicable
SALES COMPARISON APPROACH (Land)	$3,170,000
INCOME APPROACH	Not Applicable
FINAL 'AS IS' MARKET VALUE	**$3,170,000**

INTRODUCTION

Identification of the Subject Property

The subject property is located at 9900 Culver Boulevard in Culver City, in Los Angeles County. It is located in the northern section of Culver City and south of The Santa Monica (10) Freeway. The Thomas Brothers Map Guide quadrant is 672 G1.

The legal description is: Lots 1, 2 and most of Lot 6 of Tract No. 1775, as recorded in Map Book 21, pages 190-191.

Assessor's Parcel Numbers: 4207-009-900, 4207-009-902, and 4207-009-903.

General Description of the Subject Property

The subject site is currently used as a parking lot. Two of the three lots are zoned CG (Commercial General) and one lot is zoned RMD (Residential Medium Density). The site has 107.22 feet of frontage to Culver Boulevard and 185 feet of frontage to Duquesne Avenue. The site is basically rectangular in shape. The subject site is a level pad. The site area is 20,978 sf. The site is adjacent to the United States Post Office and is across the street to the west from the City Hall of Culver City.

The Redevelopment Agency of Culver City purchased this property from the City in 2000. The site is currently improved as a 36-space, public parking lot. This parking is not required for either the Post Office of City Hall. The Agency does not receive any revenue from this parking lot.

Assessment Information

Since the subject property has been owned by the Redevelopment Agency of Culver City, it is exempt from property taxes and there is no tax information reflected in the public records.

The subject's tax rate area number 3153 and the base tax rate is 1.062507%.

Property Rights Appraised

Fee Simple estate is defined as "An absolute fee; a fee without limitations to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power, and taxation."[1]

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[1] The Dictionary of Real Estate Appraisal, American Institute of Real Estate Appraisers, Third Edition, 1993

Purpose of Appraisal

The purpose of this report is to estimate the 'As Is' market value of the Fee Simple Interest of the subject real property as of the effective date of the appraisal.

Current Use and Appraised Use of Subject Property

The current use of the subject property is as an asphalt-paved parking lot. The appraised use is as vacant land.

Client, Intended Use and User(s) of Report

The client for this appraisal is The Community Development Department of Culver City and this appraisal is intended for use in making redevelopment decisions.

Extraordinary Assumptions

- A full title report was not made available to the appraiser. This appraisal is made on the assumption that there are no title conditions that would affect the market value or marketability of the subject property.

- No reports regarding the soil stability or any adverse environmental factors were made available to me. This appraisal is based on the assumption that there are no adverse soil stability factors or other adverse environmental factors at the subject site.

Property Ownership and Sales History of Subject Property

<u>Owner of Record:</u>

According to public records, title to the subject property is currently held by: Redevelopment Agency of the Culver City.

<u>Sale History:</u>

No record of prior purchase is noted in public records.

Definition of Market Value[2]

'Market Value' is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

(1) buyer and seller are typically motivated;
(2) both parties are well informed or well advised, and acting in what they consider their own best interests;
(3) a reasonable time is allowed for exposure in the open market;
(4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
(5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

Definition of Market Value "As Is"

"Market Value 'As Is'" means an estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date of inspection. Use the Market Value definition provided by the OCC in 12 CFR, Part 34.

Departure Provision

The Departure Provision, as outlined in the Uniform Standards of Professional Appraisal Practice, has not been relied on in the completion of this appraisal report. The Cost Approach and Income Approach have been excluded from this appraisal for the following reasons:

1) These approaches are not applicable in the valuation of vacant land (the highest and best use of the subject property) in this area in the current market;

2) These approaches is not generally employed by other reasonable appraisers in the appraisals of this type of property at this time; and

For these reasons, the elimination of the Cost Approach and Income Approach are not a departure from the Uniform Standards of Professional Appraisal Practice.

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[2] Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, Definitions [f].

Exposure Time and Marketing Time

Exposure Time Definition:
Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold at the market value concluded in this analysis as of the date of this valuation.

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based upon an analysis of past events assuming a competitive and open market." - *Source: Uniform Standards of Professional Appraisal Practice*

Exposure time estimate: 6 months

Marketing Period Defined:
Marketing time is the amount of time it would probably take to sell the subject property if exposed in the market beginning on the date of this valuation.

1. The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal.

2. Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal. - *Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, Third Edition.*

Marketing Period Estimate: 6 months
These estimates are based on MLS statistics, other data on marketing times of sold properties in this area, and discussions with real estate agents and appraisers active in this area. They are also supported by the reported marketing times of the comparables used in this appraisal.

Statement of Appraisal Type and Appraisal Report Option

This is a Complete Appraisal and a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report. As such, it presents only summary discussions of the data, reasoning, an analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use of this report. Neither the appraiser nor the client are responsible for unauthorized use of this report.

Exclusions

This appraisal is of real property only. No personal property, machinery, equipment, business value, or goodwill are included in the estimates of value.

Scope of the Appraisal

The characteristics of the subject property were obtained by personal inspection and from data provided by public records. On March 23, 2006 the subject property was inspected. Zoning information was obtained from the City of Culver City web site. Land sales information was obtained from CoStar Comps, public records, and the Multiple Listing Service. Where possible, all sales were verified with a party to the sale. A Sale Comparison Approach was applied to arrive at an opinion of the market value of the subject site. For further comments related to the scope of the appraisal, please refer to the Assumptions and Limiting Conditions and the Certification of the Appraiser at the conclusion of this report.

REGIONAL DESCRIPTION

The property considered in this report is located in the City of Culver City, in Los Angeles County. Los Angeles County is bordered by Ventura County to the northwest, Kern County to the north, San Bernardino County to the east, Orange County to the south, and the Pacific Ocean to the west. A regional location map is included for reference on a following page.

The Los Angeles region is a heavily developed, highly urbanized area encompassing an approximate 60-mile radius from downtown Los Angeles, and includes portions of five counties: Los Angeles and Orange Counties, the western portions of San Bernardino and Riverside counties, and the urban areas of Ventura County. This 60-mile circle contains 94% of the five-county area's total population and over 96% of its total personal income. The area within a radius of 60 miles of downtown Los Angeles contains one of the preeminent economies of the world. Although it contains only 5% of California's land, the 60-Mile Circle, dominated by Los Angeles County, comprises half of the state's total economy. This area has an impressive history of growth in population, employment, and personal income.

Salient Characteristics of the Regional Economy

The Southern California area has the second largest concentration of population, employment, business, industry, and finance in the United States. Only New York has a higher concentration. When compared to the rest of the nation, the area has the fourth largest concentration of personal income. Unemployment dropped slightly in the last part of 2004 to about 6%.

While the stock market has been doing better over the last 6 months with a few rallies, there is still little confidence in the "market" and the effect on real property values remains to be seen. The regional area has over 130 foreign banks, 25 major universities and colleges, 74 foreign trade representatives, a larger population than 42 of the 50 United States, 16 foreign chambers of commerce, 64 percent of California's total world trade, and the highest concentration of engineers, scientists, mathematicians and skilled technicians in the nation. The regional area has the 5th or 7th largest economy in the world as of January 2004. The consumer price index for southern California has continued to rise as shown below. This rise has been at about 2.5% per year over the last 9 years.

International Trade

Southern California has a well-established international trade support infrastructure that includes the Export Small Business Development Center and the Greater Los Angeles World Trade Center in Long Beach and Los Angeles.

The Port of Long Beach is a major gateway to the world for 17 million regional residents and for manufacturers and consumers across the continental United States. Los Angeles Port has 29 major cargo terminals, including facilities to handle automobiles, containers, dry bulk products and liquid bulk products. Combined, these terminals handle more than 80 million metric revenue tons of cargo representing some $80 billion. Its six modern container facilities together handle in excess of four million units of cargo containers annually, making the Port one of the top 10 busiest ports in the world. Together the ports are second only to Rotterdam and Shanghai.

It should also be noted that there are major rail yards in Los Angeles, Rialto, Colton, and San Bernardino for the transportation of that cargo.

Airports

The major airports for the Los Angeles Basin are Burbank, John Wayne (Orange County) and Los Angeles International. The airport for the inland empire in, terms of passenger travel, is Ontario International Airport.

There are three, former, major military airports in the inland empire. These are: March Air Force Base in Moreno Valley, Norton Air Force Base in San Bernardino, and George Air Force Base in Victorville. All three of these airports have been transferred to civilian control and are in the process of being converted to cargo airports and other related aviation activities.

There are many general aviation airports in Southern California, which provide on demand charter and provide access for other general aviation activities. The pertinent airports are Van Nuys, Whitman, Compton, Fullerton, Torrance, Long Beach, Riverside, La Verne, Rialto, Apple Valley Airport, Cable Airport Upland, Perris Airport and French Valley Airport. There are also many other smaller airports in the area.

Transportation

Southern California has an extensive system of interstate highways, major highways, railroads, airports, and ports that offer industry a variety of means for efficiently and conveniently transporting raw materials and finished products within California and throughout the nation and the world. There are the blue, green and red light rail lines. There is the Metrolink that connects with outlying communities. There is an adequate bus system in place throughout the region. There are also numerous rail yards for the transportation of cargo from the west coast to points north and east.

2005/2006 Outlook

According to Doug Duncan, MBA, Chief Economist and Senior Vice President, (Research and Business Development) for the Mortgage Bankers Association, "The year 2005 looks to be a strong one, with GDP growing slightly above trend at 3.6 percent, down somewhat from the 4.4% growth rate of 2004. This will result in continued strength in employment and a strong but modestly slowing housing market. We see the job market getting stronger, even with continued strong-though slightly slower-gains in productivity."

"There will likely be a slight uptick in the inflation rate in 2005, which will support the Fed's continued march upward with the fed funds target as the Fed maintains focus on its No. 1 objective of keeping inflation at bay."

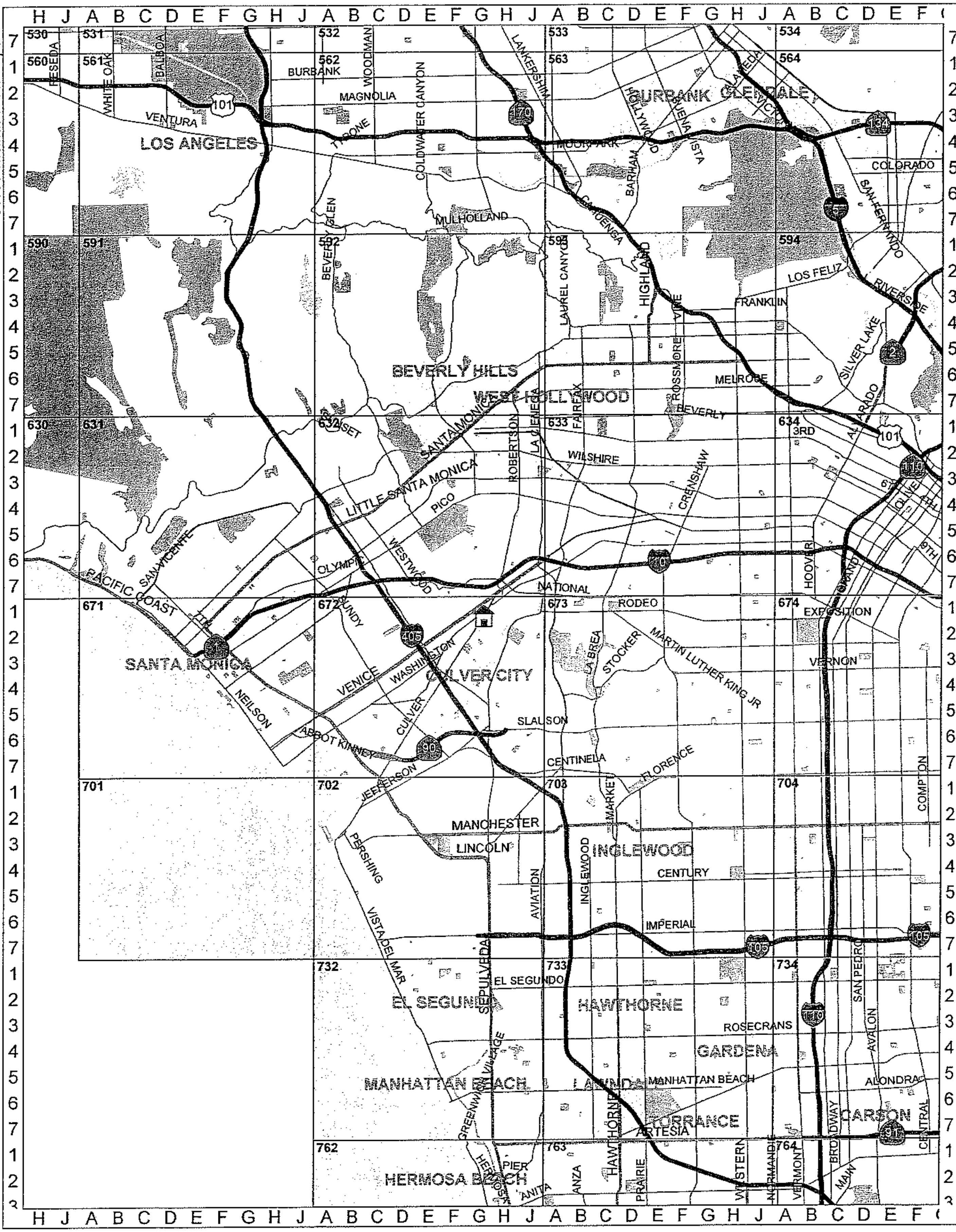
"Long-term rates will therefore remain quite low and thus supportive of real estate finance activity, whether residential or commercial."

Duncan continued, "Long-term rates should increase from current levels by 50 to 65 basis points by the end of 2005, and another 25 to 35 basis points during 2006, finally reaching about 7 percent for a 30-year, fixed-rate mortgage by the end of 2007. Coming off a fairly steady rate environment in 2004, these are very modest interest rate increases for the level of economic growth we are expecting."

Conclusion

The war in Iraq has kept the capital markets in turmoil, however, the local real estate markets have not been affected to a great degree. There has been a high demand for real estate product and a very small supply. Industrial and residential values have soared for owner/users and, to a degree, for investors. The values of retail and office properties have not increased quite as fast as residential properties, due to existing leases and the perceived risk, however, even values of these commercial properties are the highest ever and capitalization rates are some of the lowest in history.

Overall, the outlook is guarded for the remainder of 2005 and on into 2006. The 'Fed' has raised the prime interest rate several times in the past two years to curb inflation but long-term interest rates have not increased to the degree of short-term rates. There is still demand for good, real estate investments and there is a limited supply available.



SUBJECT: 9900 Culver Blvd, Culver City, 90232, Page & Grid 672 G1

NEIGHBORHOOD ANALYSIS

Location

The subject property is located in Culver City, on the corner of Culver Boulevard and Duquesne Avenue, in the northern area of Culver City and south of the Santa Monica 10 Freeway. The subject site is located between the US Post Office and the City Hall of Culver City. Since the subject site is located close to the City of Los Angeles, characteristics of both cities will be discussed.

Neighborhood Boundaries

The neighborhood boundaries can be described as follows: Pico Boulevard on the north, La Cienega Boulevard on the east, Centinela Avenue on the west, and Slauson Avenue on the south.

Los Angeles and Culver City Neighborhood Characteristics

The neighborhood is characterized by a variety of land uses. The subject street, Culver Boulevard, is improved with a variety of commercial retail, office, and light industrial properties with some multi-unit residential properties. The surrounding, background land use, on the secondary streets, is single family residential and multi-family residential. Quality and availability of educational, medical, social recreational cultural and commercial services are considered good as a mature community.

The most influential, primary, commercial streets for the subject are Venice Boulevard, Washington Boulevard, Culver Boulevard, Palm Boulevard, National Boulevard, and Jefferson Boulevard. This is a well developed and populated area of the city with close proximity to major freeways. Freeway access is via the Santa Monica 10 Freeway and the San Diego 405 Freeway.

This area of Los Angeles and Culver City have continued redevelopment by replacing of older, smaller buildings with newer, larger buildings. Diminishing supply of vacant lots suitable for development in the neighborhood suggests low expectation of future construction activity, with the exception of razing existing buildings which are economically depreciated and redeveloping the lots.

The subject is located in the Culver City Area. SRC, LLC provided the demographic information below for Zip Codes 90230 and 90232.

The 2000 Census Median Household Income for this geography was $ 49,401. The Per Capita Income revealed in the 2000 Census for this geography was $ 25,833. This geography included a total of 20,302 Housing Units in 2000, of which 46.5% were Owner Occupied, 53.50 were Renter Occupied, 3% were vacant. The Average Contract Rent for occupied rental units in 2000 was $ 807. The Median Housing Value for owner occupied housing in this geography in 2000 was $ 270,483.

Services and Transportation

The Cities of Los Angeles and Culver City offer a wide variety of services. This includes medical facilities, schools, shopping centers, parks, places of worship, libraries, etc. Any services not found within the subject neighborhood are typically available within easily accessible distances.

Freeway access is via the Santa Monica 10 Freeway and the San Diego 405 Freeway. A number of public transit services, including the MTA, provide route service throughout portions of the subject neighborhood daily. Major arterials cut through the area. In short the area provides a wide variety of services for orderly growth.

Airports
LAX is located about 20 minutes south and offers non-stop and direct flights daily from every major national and international airline carrier.

Additional airports are the Santa Monica Airport, Burbank/Glendale/Pasadena Airport, and the Long beach Airport.

Public Utilities

Electricity:	Southern California Edison
Gas:	Southern California Edison
Water:	Golden State
Telephone:	Pacific Bell/SBC

Area and Market Characteristics

Real estate activity in general has been brisk despite the soft economic indicators on a local, regional and national level. This is due largely to low interest rates and the availability of financing. Furthermore, many investors perceive real estate as a more secure investment over the widely considered "volatile" stock market.

Commercial property in the immediate vicinity of the subject is no exception. The subject is located in an area of desirable traffic counts and dense population. The subject street is a primary commercial street and has exposure to high volumes of commercial traffic. Property values in the area, both commercial and residential, have enjoyed appreciation in the last few years.

Comments on Culver City

The web site for Culver City states that:

Downtown Culver City is a charming collection of outdoor cafes, unique shops and galleries opening onto tree-lined walking boulevards. Handsome landmark buildings house cutting-edge media facilities and creative arts workshops. It boasts a City Hall of stunning architectural beauty, new state-of-the-art movie theaters, and the nationally-renowned, Center Theatre Groups Kirk Douglas Theatre.

Just south of the 10 Freeway and east of the 405, blocks away from the iconic Helms Bakery design district and the internationally acclaimed architecture of the Hayden Tract creative industries hub.

Culver City History and Culver City Fact Sheet

Culver City's Founder: Harry H. Culver (announced his plans in LA in 1913)

Year of Incorporation: 1917 *charter city* : 1947

City's area in 2001: 4.987 square miles, approx. (due to 42 annexations)

Culver City Flower: Lantana

Current Population: 38,000 (2000 census)

Wording on City Seal: City of Culver City-The Heart of Screenland-Incorporated 1917

City Hall: 9770 Culver Blvd., Culver City, CA 90232

Current Elected City Officials: 5 member City Council (elections in April, even-numbered years) every April, the Council and Redevelopment Agency rotate jobs, including Mayor, City Clerk, and City Treasurer

Culver City Unified School District-a unified (K-12)district since 1949
5 member Board of Education (elections in November, odd-numbered years)

Culver City has 5 operating, public elementary schools (including a language magnet), Culver City Middle school, Culver City High School, Culver Park High School (alternative high school), Adult School, and a Children's Center.

Courts: Culver City is a part of the Culver Judicial District, with two elected Judges and an appointed Commissioner. It is now Superior Court.

LA County Board of Supervisors: 2nd Supervisorial District

State:
47th Assembly District
26th Senate District
33rd U. S. Congressional District:

2 U. S. Senators

Website- City of Culver City: www.culvercity.org

Community Profile

Location:
Strategically located at the intersection of the 405 (San Diego) and 10 (Santa Monica) freeways, the City of Culver City is located 15 minutes north of Los Angeles International Airport, 15 minutes east of the Marina del Rey/Pacific Ocean, 20 minutes southeast of Santa Monica, 15 minutes south of Beverly Hills and 20 minutes west of Downtown Los Angeles.

City Population:
39,119 (2002 estimate)

84% high school graduates or higher

35% bachelors degree or higher

Demographics:

Median age: 40 years

Households – 16,826 (2002 estimate)

Average Household Income $76,013

Average Family Household Income $90,930

Trade Area:

Population & Income

3 miles radius – 305,287 Avg family income $79,689

5 miles radius – 852,147 Avg family income $87,820

Population Distribution:

White 46%

Hispanic 25%

Asian 12%

African-American 12%

Other 5%

Other Facts:
Culver City has its own Fire Department, Police Department, Bus Line and School District

Average rainfall in January is 3.57 inches

Average temperature: January: 56.5° mean; July, 69.2° mean

Education:
5 elementary schools, one middle school, one high school

6 private grade schools and one community college

Statistics:
The Westside comprises only 3% of Los Angeles County's total land area, yet contains 7% of the County's population and 13% of the County's jobs.

Culver City ranks seventh of all California cities in total payroll and vendor expenditures in the entertainment industry! The industry's per capita expenditure is $5,700 per person in Culver City, a number exceeded by only three other cities nationwide.

Culver City's entertainment expenditures ($228 million) in 1994 were higher than the expenditures in the San Francisco Bay area ($211 million).

With a land area of approximately five square miles, Culver City has over three million square feet of retail space. Retailers include the 140-store Fox Hills Mall, retail giants such as Target, Circuit City, Office Depot, Toys R Us, Best Buys and Staples, and over 5 auto dealerships.

Culver City's average household retail sales of $45,000 is 2.5 times greater than the Los Angeles County average of $17,734, indicating that many non-residents are traveling to Culver City to shop.

Source: 2003 Claritas

Redevelopment

Mission Statement

Redevelopment stimulates appropriate private reinvestment and acts as a catalyst to revitalize the community by eradicating blight and creating opportunities for business growth, jobs, and housing that achieve a balanced and prosperous community.

SERVICES PROVIDED

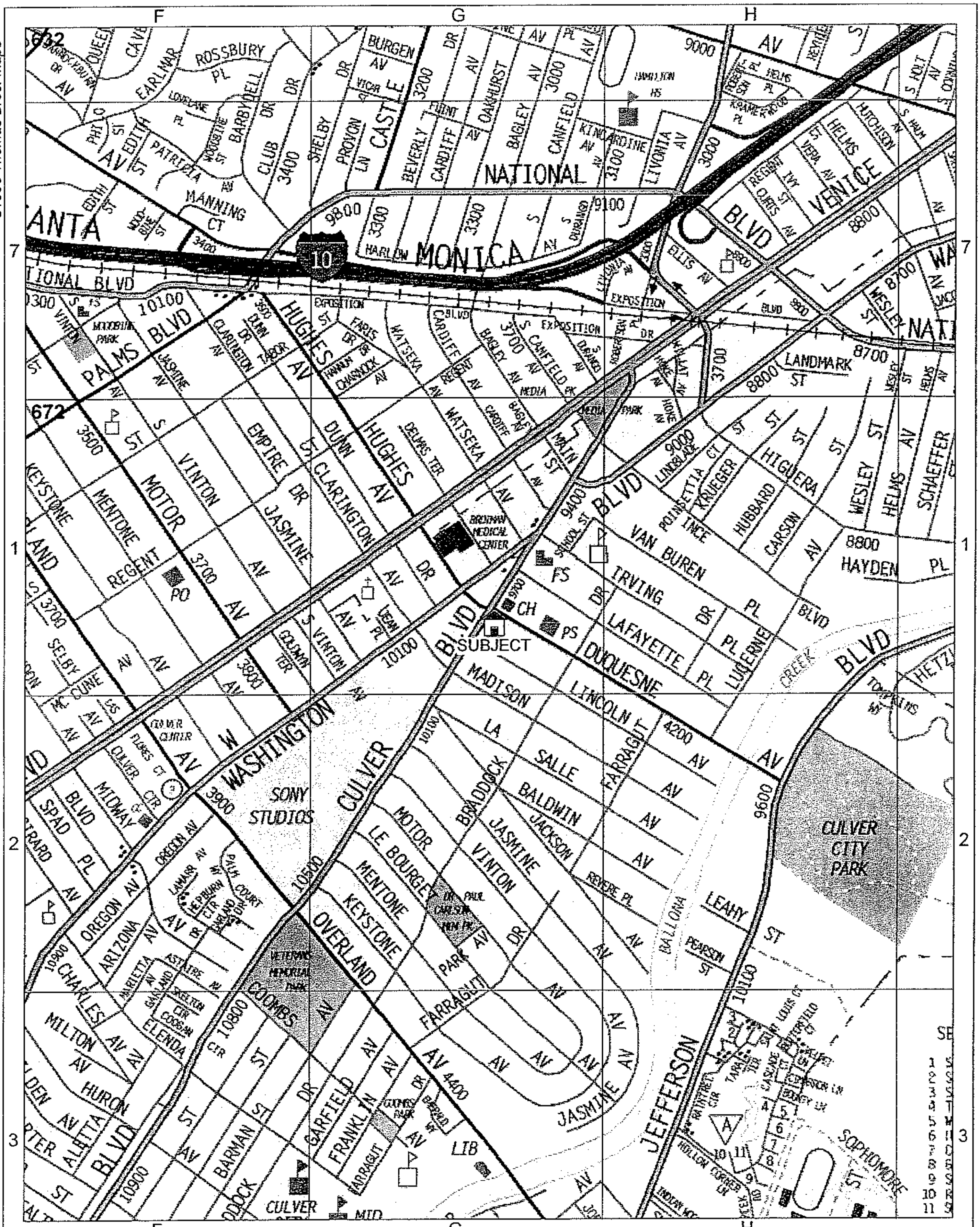
The Culver City Redevelopment Agency is a separately funded entity within the City government operating as a division of the Community Development Department. The Agency was founded in 1971 and integrates responsible business growth into overall City planning. The Redevelopment Project Area consists of 1,286 acres, or 42% of the City's land area. The Redevelopment Agency finances activities that remove blight and return underutilized land to productive uses. Through a coordinated program of new development, land assembly and public improvements, the Agency optimizes the use of property and preserves and creates affordable housing.

Some of the services that are being provided by the Redevelopment Agency consist of the following:
Development of Properties in Eight Different Areas of the City
Screenland/Town Plaza Development
Public Art Installations and Performances
Weekly Farmers Market
Economic Development Financial Incentives
Quarterly Real Estate Advisory Bulletin - listing commercial vacancies
Parking Management for public off-street parking areas Public/Private Partnerships

Redevelopment Plan and Project Areas
The Redevelopment Plan ("The Plan") for the Culver City Redevelopment Agency identifies four project component areas. The purpose of The Plan is to identify methods of eliminating blighting influences within the identified Component Area and to prevent the spread of such blight throughout the community. Recommended methods include acquisition of certain real property, demolition, or removal of certain buildings and improvements, relocation assistance to displaced residential and nonresidential occupants, installation, construction or reconstruction of streets, utilities and other public improvements, disposition of property acquired for uses in accordance with the plan, and rehabilitation of certain suitably located but structurally substandard buildings. The Redevelopment Project Areas consist of 1,286 acres or 42% of the City's total land area.

Neighborhood Conclusion

The subject neighborhood is a mixture of commercial and residential sector with an average maintenance level and property values near the middle range when compared with the rest of the incorporated City of Los Angeles. Property values and rental rates in the subject neighborhood have steadily increased and vacancy rates have decreased over the past several years. No negative factors are observed that would affect the marketability of the subject property.



SUBJECT: 9900 Culver Blvd, Culver City, 90232, Page & Grid 672 G1

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SITE DATA

Location:	The subject property is located at 9900 Culver Boulevard in Culver City, in Los Angeles County. It is located in the northern section of Culver City and south of The Santa Monica (10) Freeway. The Thomas Brothers Map Guide quadrant is 672 G1.
Assessor's Parcel No:	4207-009-900, 4207-009-902, and 4207-009-903.
Legal Description:	The legal description is: Lots 1, 2 and most of Lot 6, of Tract No. 1775, as recorded in Map Book 21, page 190-191.
Lot Description:	The subject site is a corner lot and has street 107.22' frontage to the south side of Culver Boulevard and 185' frontage to the west side of Duquesne Avenue.
Street:	Culver Boulevard is a 4-lane, 104 feet wide, major, east-west, surface arterial. Duquesne Avenue is a 60' wide, secondary, north-south street.
Topography:	The site is a level pad. Drainage on site is assumed to be adequate.
Access/Ingress/Egress :	Access is average. Ingress/egress may be accomplished via the alley.
Utilities	All necessary utilities are available to the site including water, sanitary sewer, natural gas, electricity and telephone.
Soil	No soil reports were provided. Drainage appears to be adequate and soils are assumed to be stable.
Easements:	A full preliminary title report was not provided to the appraiser. The appraiser assumes that there are no easements which would have a substantial effect on the use or value of the subject property.
Flood Hazard:	None apparent. The property is located in Zone C and not located in a flood hazard area.
Environmental hazards	The appraiser is not qualified to detect any potentially hazardous substances nor is he qualified to assess the manner in which these or other substances are handled. To the best of the appraiser's knowledge, the subject property is free from any hazardous substances. If there proves to be any hazardous substances on the subject site, it is assumed that the subject property is equipped to properly handle these hazardous substances. The value opinions expressed in this appraisal report are predicated on the assumption that there are no materials nor toxic conditions on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

ZONING

Two of the three lots (APNs: 4207-009-902 and 4207-009-903) are zoned CG (Commercial General) District. The CG zoning district identifies area along major corridors appropriate for small to medium scale commercial use, emphasizing community serving retail, office and service uses. This district may also accommodate mixed-use and live/work developments. The CG zoning district is consistent with the General Corridor land use designation of the General Plan.

One of the three lots (APN: 4207–009-900) is zoned RMD (Medium Density Multiple-Family Residential). The RMD zoning district identifies area characterized by medium density multiple-family dwellings. The RMD zoning district is consistent with the Medium Density Multiple-Family land use designation of the General Plan.

Please see addendum for excerpt pages from the Culver City Municipal Code regarding Commercial and Residential Zoning Districts for additional comments and information on permitted uses, development standards, and district requirements.

IMPROVEMENTS

The subject property is currently used as an asphalt-paved parking lot. There are no building improvements on the subject site.

PROPERTY INFORMATION

1)	Property: , CA						
APN:	4207-009-900	Card#:				Use:	MUNICIPAL PROPERTY
County:	LOS ANGELES, CA	Prop Tax:				Total Value:	$32,399
MapPg/Grid:	672-G1 Old Map: 42-C6	Tax Year:		Delinq:		Land Value:	$32,399
Census:	7025.01 Tract #: 1775	Tax Area:	3153			Imprv Value:	
High School:	CULVER CITY UNIF	Elem School:				Taxable Val:	
Comm Coll:	LOS ANGELES CITY	Exemptions:				Assd Year:	2005
Subdivision:						% Improved:	
Owner:	REDEVELOPMENT AGENCY OF CULVER CITY					Phone:	
						Owner Vest:	/ /
Mail:	9770 CULVER BLVD # 507; CULVER CITY CA 90232-2703 C006						

Owner Transfer = Rec Dt: Price: Doc#: Type:
Sale Dt:

SALE & FINANCE INFORMATION

	LAST SALE	PRIOR SALE
Recording/Sale Date:		
Sale Price/Type:		
Document #:		
Deed Type:		
1st Mtg Amt/Type:		
1st Mtg Rt/Type/Trm:	/ /	
1st Mtg Lender:		
2nd Mtg Amt/Type:		
2nd Mtg Rt/Type/Trm:	/ /	
Title Company:		
Seller:		
New Construction:		

Other Last Sale Info = # Parcels: Type 2: Pend:

SITE INFORMATION

# Res. Units:		County Use:	8800	Acres:	0.14
# Comm Units:		Zoning:	CCR4*	Lot Area:	6,150.672
# Buildings:		Flood Panel:		Lot Width:	
Bldg Class:		Panel Date:		Lot Depth:	
Parking Sqft:		Flood Zone:		Usable Lot:	
Park Spaces:		Sewer Type:			
Garage Cap#:		Water Type:			
Park Type:					
Other Impvs:					
Legal Blk/Bldg:	17	Site Influence:			
Legal Lot/Unit:	6	Amenities:			

Legal: TRACT # 1775 LOT COM AT MOST E COR OF LOT 6 BLK 17 TH N 58 13'55" W 50 FT TH S 34 03'50" W 112.63 FT TH S 55 56'10" E 44.42 FT TH SW 20.67 FT TO MOST E COR OF LOT 18 SD BLK TH S 58 13'55" E 10.13 FT

IMPROVEMENTS

Bldg/Liv Area:
Gross Area:
Ground Flr:
Bsmnt Area:
$/SqFt:
Yrblt/Eff:
Stories:
Rooms:
Bedrooms:
Full/Half Bath:
Ttl Baths/Fixt:
Fireplace:
Pool:
Porch Type:
Patio Type:
Construct:
Foundation:
Ext Wall:
Roof Shape:
Roof Type:
Roof Matl:
Floor Type:
Floor Cover:
Heat Type:
Heat Fuel:
Air Cond:
Quality:
Condition:
Style:
Equipment:

Other Rms:

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PROPERTY INFORMATION

2)	Property: , CA						
APN:	4207-009-902	Card#:				Use:	MUNICIPAL PROPERTY
County:	LOS ANGELES, CA	Prop Tax:				Total Value:	$55,456
MapPg/Grid:	672-G1 Old Map: 42-C6	Tax Year:		Delinq:		Land Value:	$55,456
Census:	7025.01 Tract #: 1775	Tax Area:	3153			Imprv Value:	
High School:	CULVER CITY UNIF	Elem School:				Taxable Val:	
Comm Coll:	LOS ANGELES CITY	Exemptions:				Assd Year:	2005
Subdivision:						% Improved:	
Owner:	REDEVELOPMENT AGENCY OF CULVER CITY					Phone:	
						Owner Vest:	/ /
Mail:	9770 CULVER BLVD # 507; CULVER CITY CA 90232-2703 C006						

Owner Transfer = Rec Dt: Sale Dt: Price: Doc#: Type:

SALE & FINANCE INFORMATION

	LAST SALE	PRIOR SALE
Recording/Sale Date:	01/10/1972	
Sale Price/Type:		
Document #:		
Deed Type:	DEED (REG)	
1st Mtg Amt/Type:		
1st Mtg Rt/Type/Trm:	/ /	
1st Mtg Lender:		
2nd Mtg Amt/Type:		
2nd Mtg Rt/Type/Trm:	/ /	
Title Company:		
Seller:		
New Construction:		

Other Last Sale Info = # Parcels: Type 2: Pend:

SITE INFORMATION

# Res. Units:		County Use:	8800	Acres:	0.19
# Comm Units:		Zoning:	CCC-3*	Lot Area:	8,084.736
# Buildings:		Flood Panel:		Lot Width:	
Bldg Class:		Panel Date:		Lot Depth:	
Parking Sqft:		Flood Zone:		Usable Lot:	
Park Spaces:		Sewer Type:			
Garage Cap#:		Water Type:			
Park Type:					
Other Impvs:					

Legal Blk/Bldg: 17 Site Influence:

Legal Lot/Unit: 1 Amenities:

Legal: TRACT NO 1775

IMPROVEMENTS

Bldg/Liv Area:
Gross Area:
Ground Flr:
Bsmnt Area:
$/SqFt:
Yrblt/Eff:
Stories:
Rooms:
Bedrooms:
Full/Half Bath:
Ttl Baths/Fixt:
Fireplace:
Pool:
Porch Type:
Patio Type:
Construct:
Foundation:
Ext Wall:
Roof Shape:
Roof Type:
Roof Matl:
Floor Type:
Floor Cover:
Heat Type:
Heat Fuel:
Air Cond:
Quality:
Condition:
Style:
Equipment:

Other Rms:

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PROPERTY INFORMATION

3)	Property: , CA						
APN:	4207-009-903	Card#:				Use:	MUNICIPAL PROPERTY
County:	LOS ANGELES, CA	Prop Tax:				Total Value:	$42,006
MapPg/Grid:	672-G1 Old Map: 42-C6	Tax Year:		Delinq:		Land Value:	$42,006
Census:	7025.01 Tract #: 1775	Tax Area:	3153			Imprv Value:	
High School:	CULVER CITY UNIF	Elem School:				Taxable Val:	
Comm Coll:	LOS ANGELES CITY	Exemptions:				Assd Year:	2005
Subdivision:						% Improved:	
Owner:	REDEVELOPMENT AGENCY OF CULVER CITY					Phone:	
						Owner Vest:	/ /
Mail:	9770 CULVER BLVD # 507; CULVER CITY CA 90232-2703 C006						
Owner Transfer =	Rec Dt: Sale Dt:	Price:		Doc#:		Type:	

SALE & FINANCE INFORMATION

	LAST SALE	PRIOR SALE
Recording/Sale Date:	12/12/1974	
Sale Price/Type:		
Document #:		
Deed Type:	DEED (REG)	
1st Mtg Amt/Type:		
1st Mtg Rt/Type/Trm:	/ /	
1st Mtg Lender:		
2nd Mtg Amt/Type:		
2nd Mtg Rt/Type/Trm:	/ /	
Title Company:		
Seller:		
New Construction:		
Other Last Sale Info =	# Parcels:	Type 2: Pend:

SITE INFORMATION

# Res. Units:		County Use:	8899	Acres:	0.15
# Comm Units:		Zoning:	CCC3*	Lot Area:	6,743.088
# Buildings:		Flood Panel:		Lot Width:	
Bldg Class:		Panel Date:		Lot Depth:	
Parking Sqft:		Flood Zone:		Usable Lot:	
Park Spaces:		Sewer Type:			
Garage Cap#:		Water Type:			
Park Type:					
Other Impvs:					
Legal Blk/Bldg:	17	Site Influence:			
Legal Lot/Unit:	2	Amenities:			

Legal: LAND DES IN DOC 791, 74-12-12

IMPROVEMENTS

Bldg/Liv Area:
Gross Area:
Ground Flr:
Bsmnt Area:
$/SqFt:
Yrblt/Eff:
Stories:
Rooms:
Bedrooms:
Full/Half Bath:
Ttl Baths/Fixt:
Fireplace:
Pool:
Porch Type:
Patio Type:
Construct:
Foundation:
Ext Wall:
Roof Shape:
Roof Type:
Roof Matl:
Floor Type:
Floor Cover:
Heat Type:
Heat Fuel:
Air Cond:
Quality:
Condition:
Style:
Equipment:

Other Rms:

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Property Information Culver CITY

NONE	
ASSESSOR PARCEL NUMBER	4207009902
PARCEL ADDRESS	UNAVAILABLE
CITY STATE	
ZIP	UNAVAILABLE
MAIL ADDRESS	9770 CULVER BLVD BOX 507
MAIL CITY STATE ZIP	CULVER CITY CA 90232
LINK TO TAXMAPS	Click Here
AREA(SQ FEET)	8080.15469298626
PERIMETER(FEET)	389.64047151825
ZONING	CG
OVERLAY ZONE	NONE
SECONDARY ZONING	
COMMERCIAL SETBACK OVERLAY ZONE	YES
REDEV PROJ AREA	Area 3
GENERAL PLAN DESIGNATION	Downtown
HIST/CULT DESIGNATION	NONE
FLOOD ZONE	NO
LAND SLIDE ZONE	NO
LIQUIFACTION	NO
FAULT DISTANCE (FEET)	2245
ALQUIST PRIOLO	NO
RESIDENTIAL TRASH DAY	Tuesday
LAST SALE AMOUNT	$0
LAST SALE DATE	0
YEAR BUILT	0
LEGAL DESCRIPTION	TRACT NO 1775 LOT 1 BLK 17

Report Definitions

DATA SOURCE: Los Angeles County Assessor
DATA CURRENCY: December 2005

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Property Information Culver CITY

NONE	
ASSESSOR PARCEL NUMBER	4207009903
PARCEL ADDRESS	UNAVAILABLE
CITY STATE	
ZIP	UNAVAILABLE
MAIL ADDRESS	9770 CULVER BLVD BOX 507
MAIL CITY STATE ZIP	CULVER CITY CA 90232
LINK TO TAXMAPS	Click Here
AREA(SQ FEET)	6742.03370560286
PERIMETER(FEET)	369.76508852662
ZONING	CG
OVERLAY ZONE	NONE
SECONDARY ZONING	
COMMERCIAL SETBACK OVERLAY ZONE	YES
REDEV PROJ AREA	Area 3
GENERAL PLAN DESIGNATION	Downtown
HIST/CULT DESIGNATION	NONE
FLOOD ZONE	NO
LAND SLIDE ZONE	NO
LIQUIFACTION	NO
FAULT DISTANCE (FEET)	2304
ALQUIST PRIOLO	NO
RESIDENTIAL TRASH DAY	Tuesday
LAST SALE AMOUNT	$0
LAST SALE DATE	0
YEAR BUILT	0
LEGAL DESCRIPTION	LAND DES IN DOC 791, 74-12-12TRACT NO. 1775 LOT 2 BLK 17

Report Definitions

DATA SOURCE: Los Angeles County Assessor
DATA CURRENCY: December 2005

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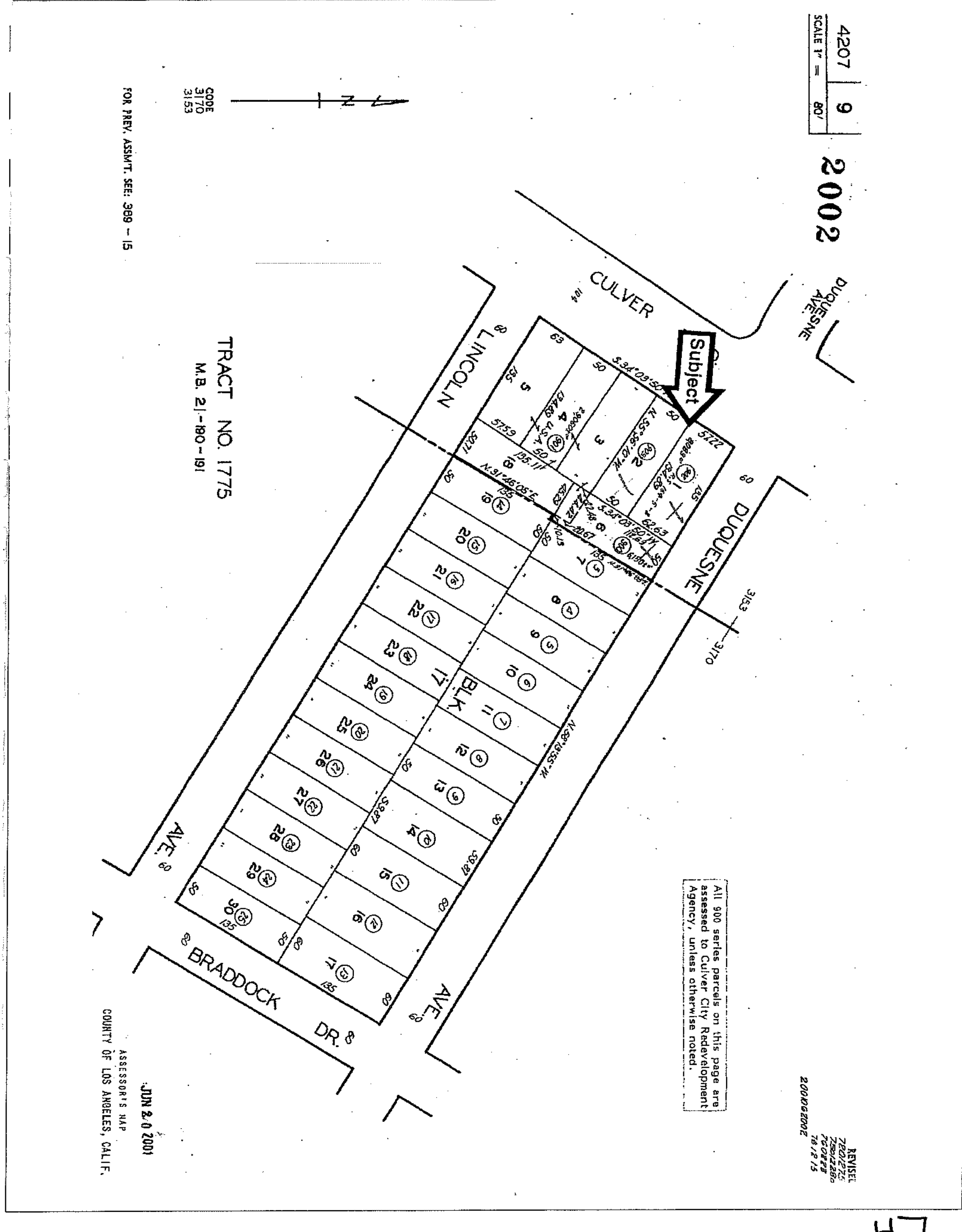
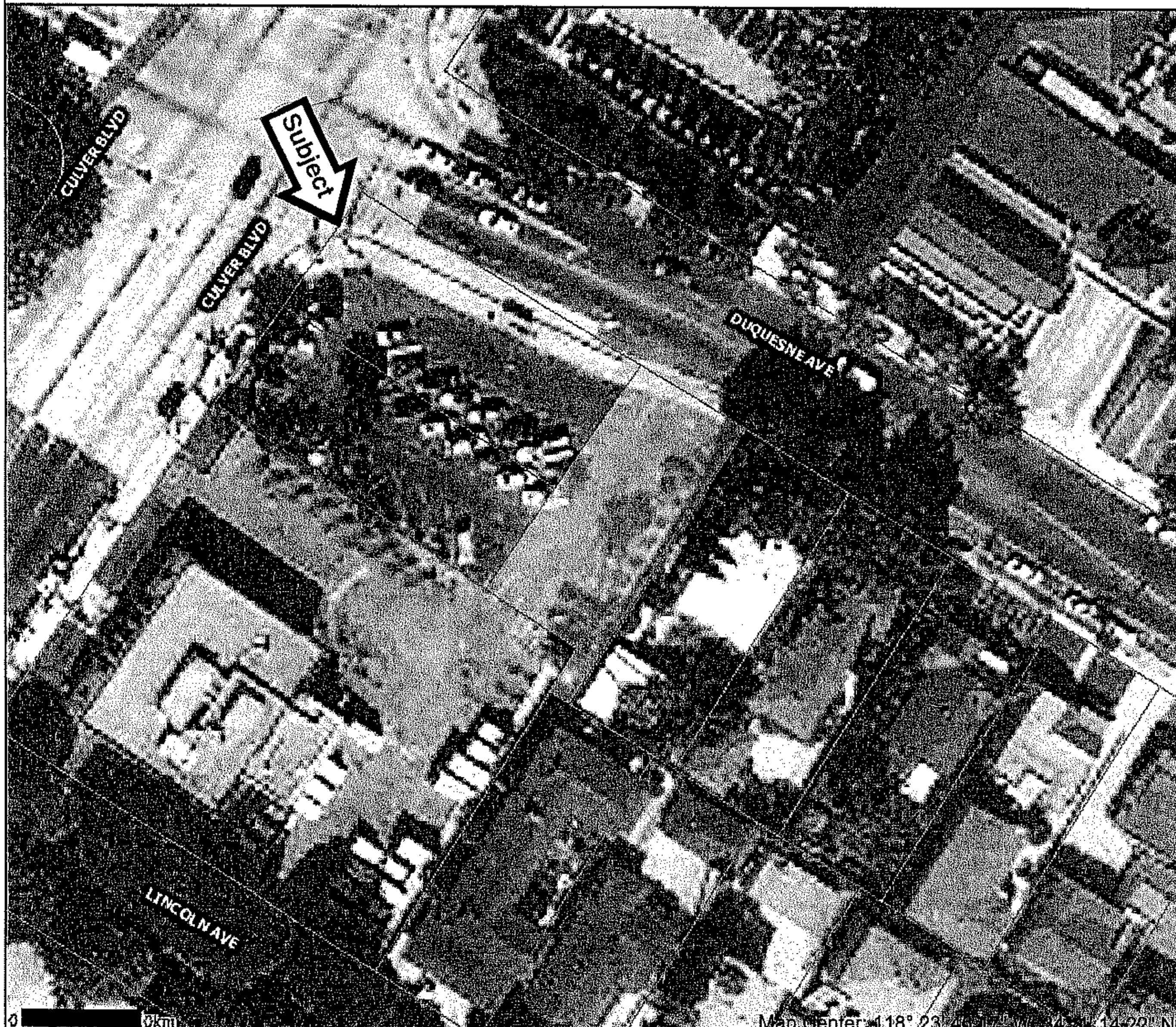

4207 9
SCALE 1" = 80'
2002
CULVER
DUQUESNE AVE.
Subject
LINCOLN
AVE.
DUQUESNE
AVE.
BRADDOCK DR.
BLK 17
TRACT NO. 1775
M.B. 21-190-191
CODE
3170
3153
FOR PREV. ASSM'T. SEE: 389 - 15
All 900 series parcels on this page are assessed to Culver City Redevelopment Agency, unless otherwise noted.
JUN 20 2001
ASSESSOR'S MAP
COUNTY OF LOS ANGELES, CALIF.

Map created Tue Apr 18 17:01:05 PDT 2006



Legend

- placenames
- Freeways
- ccstreets
- water
- City Boundary
- Parcels
- culvercity.sid

Scale: 1:779

DO NOT USE FOR NAVIGATION

HIGHEST AND BEST USE

Highest and best use is defined as:

"The reasonably probable and legal use of vacant land or an improved property, which is feasible, and that results in the highest value. The four criteria highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."
Source: The Dictionary of Real Estate Appraisal, Third Edition, (Chicago: Appraisal Institute, 1993) Page 171.

The highest and best use of a property is an economic study focusing on the four criteria. The determination of a property's highest and best use is the basis that provides the valuation framework upon which comparable market data is selected. Such data for improved properties may include cost, income and expense data, and improved sales pertaining to the property's concluded best use.

Highest and best use of the property as though vacant is considered separately from the highest and best use of the property as improved. The site is valued as though vacant and available for development to its highest and best use even if the property's existing improvements do not represent the highest and best use of the site. Highest and best use of the land as though vacant indicates only how the land should be used if it were vacant. The following is an analysis of highest and best use of the land as vacant.

HIGHEST AND BEST USE AS THOUGH VACANT

Highest and best use of land or site as though vacant is defined as:

"Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements."
Source: The Dictionary of Real Estate Appraisal, Third Edition, (Chicago: Appraisal Institute, 1993) Page 171.

Legally Permissible
Two of the subject's three lot s are is zoned CG under the jurisdiction of the City of Culver City. One of the three lots is zoned RMD. The CG zoning designation allows for a variety of commercial uses including mixed residential and commercial use. The RMD zoning designation allows for medium density, multiple-family, residential use.

The parcels are zoned consistent with the nature of the neighborhood which has a variety of uses. There is no known imminent zoning change for this area.

In summary, the legally permissible use of the subject property would be for commercial or light industrial uses or for mixed-use residential and commercial development on the CG zoned lots and multiple-family residential use on the RMD zoned lot.

Physically Possible
The physical characteristics of the site that affect its possible use include but are not limited to its location, street frontage, size, shape, street access, availability of utilities, easements/ encroachments, soils and subsoil's, and topography.

Based on a physical inspection of the subject property, the site appears to be in an area that has stable soil and subsoils with regard to support for typical commercial structures. The soil and subsoil conditions are assumed to be typical of the area and do not present limitations or problems regarding development.

The parcel is rectangular in shape and is level. The site has good frontage a primary, arterial street. The site is considered to be in an average to good location with good access to primary arteries and freeways in the area.

The FEMA Community Panel indicates that the subject property is not located within a flood hazard area.

In summary, the site appears adequate for development to a variety of commercial and residential uses.

Financially Feasible
Mixed commercial and residential use on the two, CG zoned lots and multiple-family, residential use on the CMD zoned lot is financially feasible.

Maximally Productive
A mixed-use, residential and commercial retail building appears to be the maximally productive use and the highest and best use of the two, CG zoned lots and four units of multiple-family, residential use is the maximally productive use of the CMD zoned lot.

VALUATION

The valuation of any type of real property is accomplished through the application of a defined process of research, analysis, application, correlation, and reconciliation of factual data. Regardless of the type of value sought, a logical program of fact finding and reasoning known as the 'Valuation Process' must be employed for any estimation of value. The Valuation Process typically involves a six-step process encompassing the following steps:

1. Definition of the Appraisal Problem.

2. Preliminary analysis and data collection and selection.

3. Determination of Highest and Best Use (Vacant Site and Total Property)

4. Application of specific appraisal procedures or 'approaches to value' including where applicable:

    - Cost Approach
    - Sales Comparison Approach
    - Income Capitalization Approach

5. Reconciliation of value from applied appraisal procedures.

6. Report of concluded final value as defined.

Selection of Appropriate Valuation Approach

After considering the approaches to value and the relevancy of each to the subject property and the appraisal problem, the (Land) Sales Comparison Approach has been applied in this appraisal.

SALES COMPARISON APPROACH

Introduction

The Sales Comparison Approach involves direct comparisons of the property being appraised to similar properties that have sold in the same or in a similar market in order to derive a market value indication for the property being appraised.

Steps in the Sales Comparison Approach

The Sales Comparison Approach may be applied in five steps:

1. Research the market to identify similar properties for which pertinent sales, listings, offerings, and/or rental data is available.

2. Qualify the prices as to terms, motivating forces, and bona fide nature.

3. Compare each of the comparable properties' important attributes to the corresponding ones of the property being appraised, under the general categories of time, location, physical characteristics, and conditions of sale.

4. Consider all dissimilarities and their probable effect on the price of each sale property to derive individual market value indications for the property being appraised.

5. From the pattern developed, formulate an opinion of market value for the property being appraised.

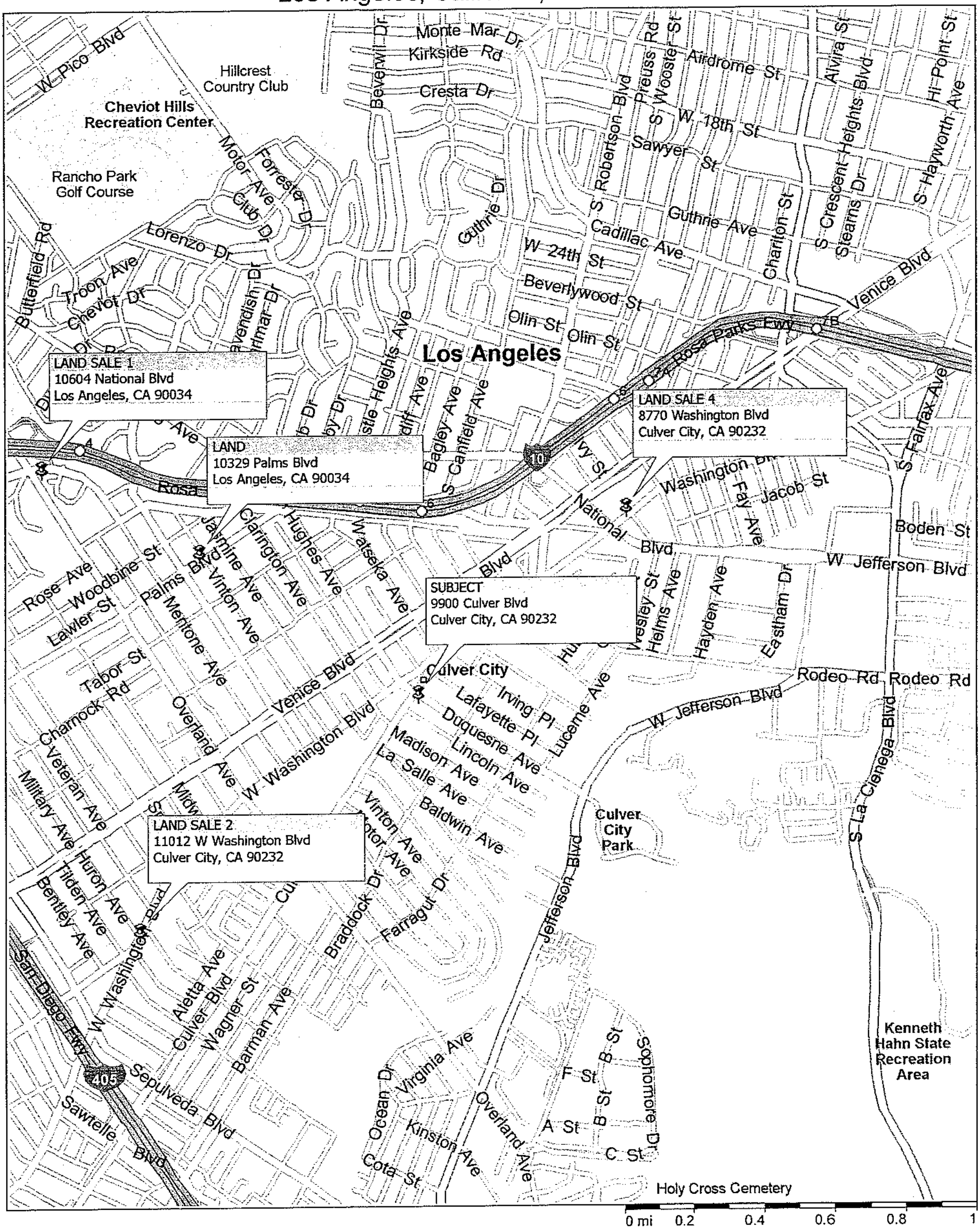
Selection of Comparable Sales

The subject property was physically inspected as of the effective date of the report. The subject property has a highest and best use as vacant land that is able to be developed with a commercial and residential development. A search of the available data sources was made looking for vacant land sales with similar highest and best use which have sold and closed in the subject market area in the past year. The four, most similar, commercial land sales and four, most similar, residential land sales were selected for comparison to the two components of the subject site in this appraisal.

Details of these sales were obtained from the cited data source, listing information comments and interviews with the listing agents. These sales were compared to the commercially zoned component and to the residentially zoned component of the subject property with respect to sale date, conditions of sale, financing, location, and physical characteristics. From the results of this analysis, an opinion of the market value of the subject property has been derived.

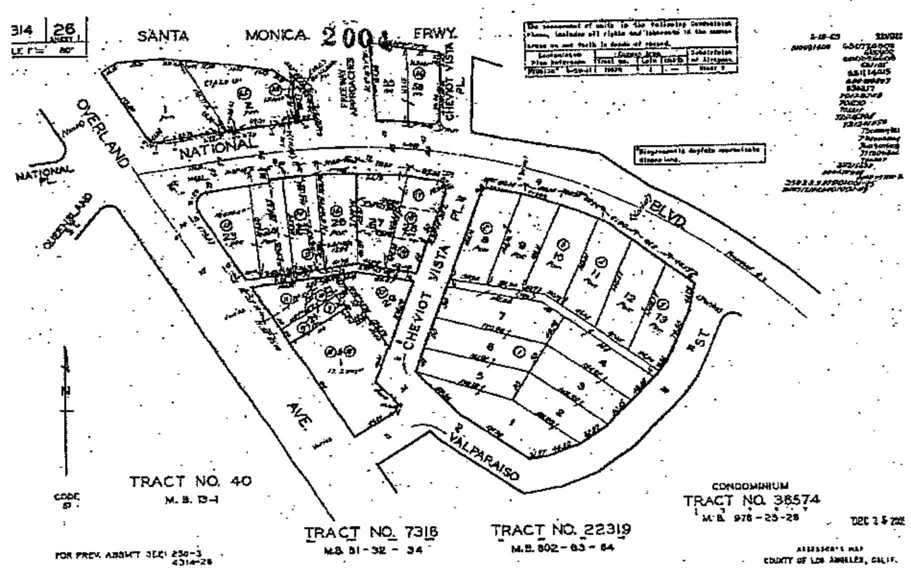
Details of the eight land sales used in this appraisal are on following pages.

Los Angeles, California, United States

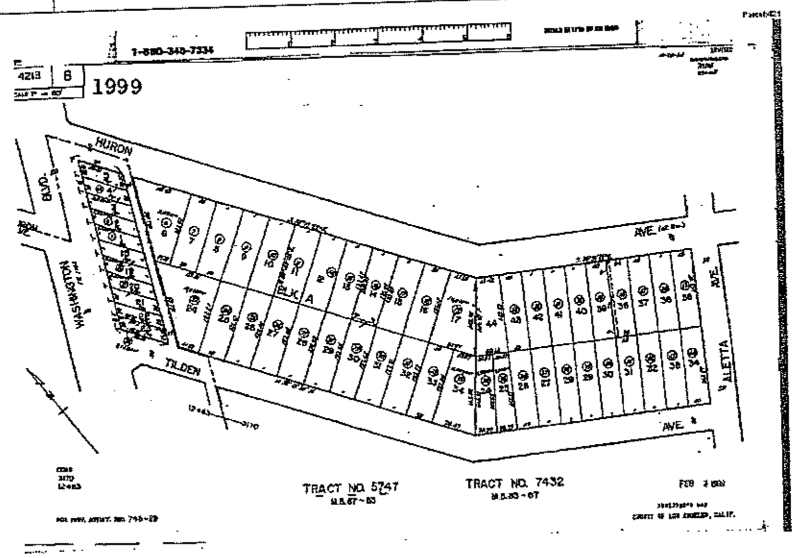


LAND COMPARABLE #1		10604 & 10612 National Blvd., Los Angeles	
Thomas Map Page:	632 E7	APN	4314-026-014 & 053
Sale Data			
Escrow Price:	$2,700,000*	Price per sq. foot:	$129.51
Sale Date:	8/18/2005		
Terms:	$1,500,000 Private 1st TD	Document Number:	1984164 & 194171

Physical Description		**Comments**
Intended Use:	Grnd fl retail with 3 floors above with 29 residential lofts.	This comparable consists of two purchases: 10604 National was bought for $1,500,000 or $181.20/sf and 10612 National was bought for $1,200,000 or $95.47/sf. The two sales occurred on the same day and are considered together to represent buyer's acquisition cost per sf. Overall price per sf paid is $129.51/sf. The combined site is located at the southeast corner of National and Overland. The current use was a 7,280 sf tear down building and a former ARCO gas station.
Lot Size:	20,848 SF	
Acres:	0.48	
Shape/Utility:	Mostly rectangular	
Topography:	Level	
Offsites:	To Site	
Utilities:	To Site	
Zoning:	C2 and R3, Los Angeles	
Buyer:	National Development LLC	
Seller:	E. McCann Trust & BP West Coast Products	
Source:	CoStar & Public Records	



LAND COMPARABLE #2		Washington Blvd, west of Huron	
Thomas Map Page:	672 F3	APN	4213-008-001 & 002
Sale Data			
Sales Price:	$550,000	Price per sq. foot:	$104.17
Sale Date:	6/7/2005		
Terms:	Cash	Document Number:	1320878
Physical Description		**Comments**	
Intended Use:	Construct office	Subject sold as an asphalt-paved lot. Buyer intends to construct an office building for his own use. Small size of the site limits functional utility.	
Lot Size:	5,280 sf		
Acres:	0.12		
Shape/Utility:	Rectangular		
Topography:	Mostly Level		
Offsites:	To Site		
Utilities:	To Site		
Zoning:	C3, Culver City		
Buyer:	Sedghian Family Trust		
Seller:	Serge Cohen Solal		
Source:	CoStar Comps		



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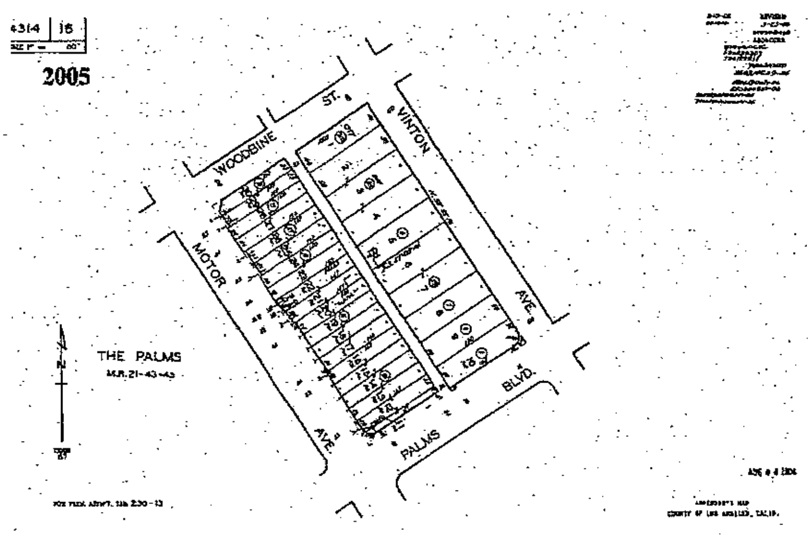
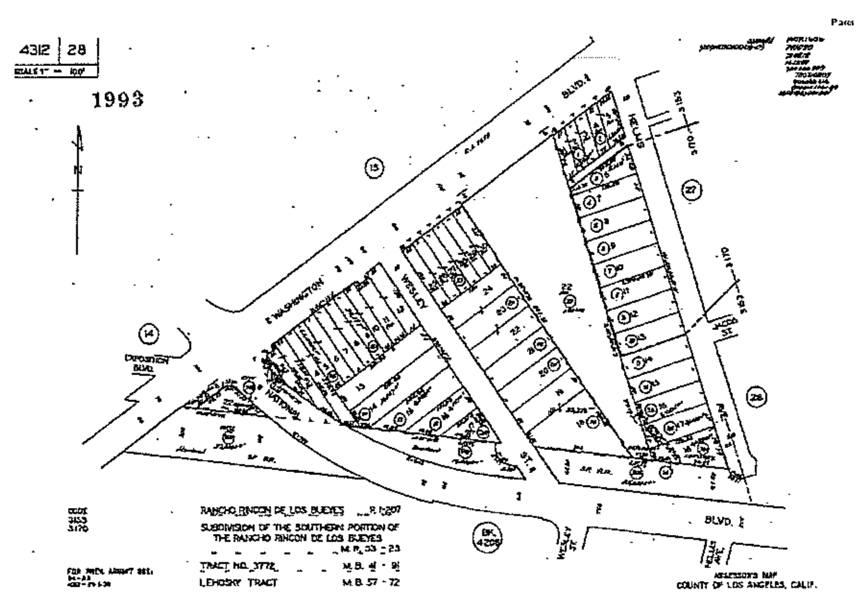
LAND COMPARABLE #3		10329 Palms Boulevard, Los Angeles	
Thomas Map Page:	632 F7	APN	4314-016-024
Sale Data			
Sales Price:	$2,700,000	Price per sq. foot:	$134.75
Sale Date:	3/30/2005		
Terms:	66% 1st TD with Comc'l Capital	Document Number:	0726744
Physical Description		**Comments**	
Intended Use:	Mixed use retail/apartment bldg	Similar size parcel.	
Lot Size:	20,037 sf		
Acres	0.46		
Shape/Utility:	Rectangular		
Topography:	Mostly Level		
Offsites:	To site		
Utilities:	To site		
Zoning:	C2, Los Angeles		
Buyer:	Heron Family Trust		
Seller:	David Lewis & S Chandler		
Source:	CoStar Comps		



LAND COMPARABLE #4		8770-8786 Washington Blvd., Culver City	
Thomas Map Page:	632 H7	APN	4312-028-020, 021, 022 & 038
Sale Data			
Sales Price:	$13,000,000	Price per sq. foot:	$170.54
Sale Date:	2/8/2006		
Terms:	100% 1st TD with Wells Fargo	Document Number:	0294518
Physical Description		**Comments**	
Intended Use:	Unknown	At time of sale the property was improved with three, tear-down, industrial buildings. Located at the northeast corner of Washington Blvd. and National Blvd. Much larger size parcel has enhanced utility when compared to the subject site.	
Lot Size:	76,230		
Acres:	1.75		
Shape:	Irregular rectangle		
Topography:	Level		
Offsites:	To Site		
Utilities:	To Site		
Zoning:	C3, Culver City		
Buyer:	National Washington Devel LLC		
Seller:	Betts Real Estate Partnership		
Source:	CoStar Comps		



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EXPLANATION OF ADJUSTMENTS

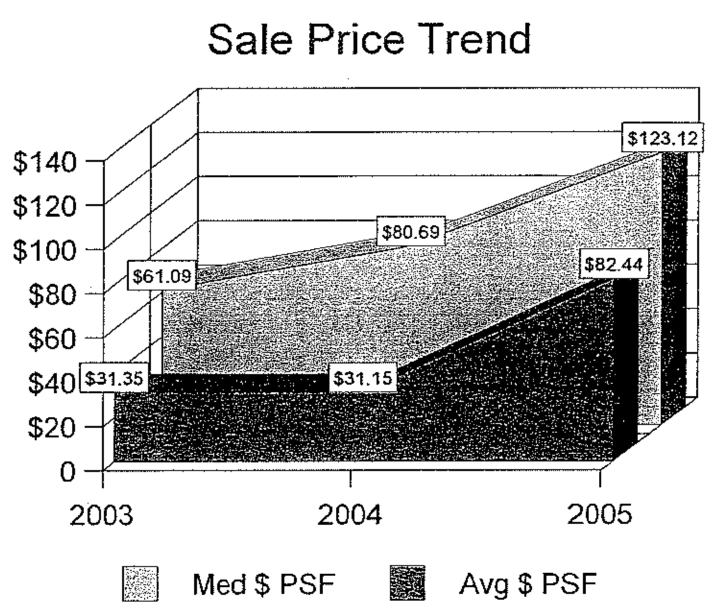
As part of the analysis, individual comparisons between each sale and the subject site are made. I have given consideration to real property rights conveyed, financing, conditions of sale, time/market conditions, as well as value characteristics such as location, size, shape, utilities/offsites, topography, flood zone, economic characteristics, use/zoning and non-realty components. The following is an explanation of the adjustments applied to the unit prices of the comparables.

Real Property Rights Conveyed
The subject site has been analyzed assuming fee simple ownership. All of the comparable sales involved transfers of fee simple rights, and therefore, no adjustments were needed for real property rights conveyed.

Financing
To the extent of the information available, the comparables transferred on an "all cash" basis or cash equivalent financing, therefore, no adjustments for financing were necessary.

Conditions of Sale
All sales were length transactions. No adjustments are warranted for condition of sale to the other three noted sales.

Time/Market Conditions
The most common way of gauging appreciation or depreciation in a market is based upon sales and re-sales of properties. Most properties similar to the subject property have had moderate appreciation over the past few years. As indicated in the table to the right, appreciation rates for commercial, industrial, and residential land sales within a ten-mile radius of the subject have appreciated about 100% over the past two years. Based upon my understanding of the marketplace, on the market study via CoStar Comps, and factoring in anticipated leveling off of prices, I have adjusted each sale for time/market conditions at +24% per year or +2.00% per month.



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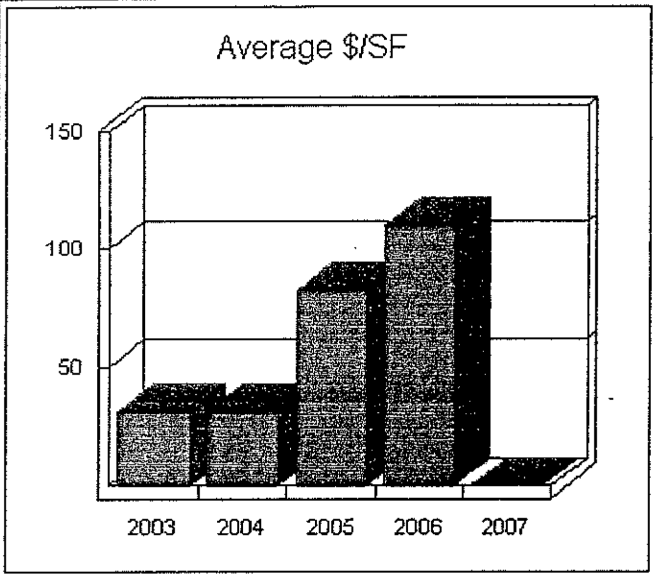
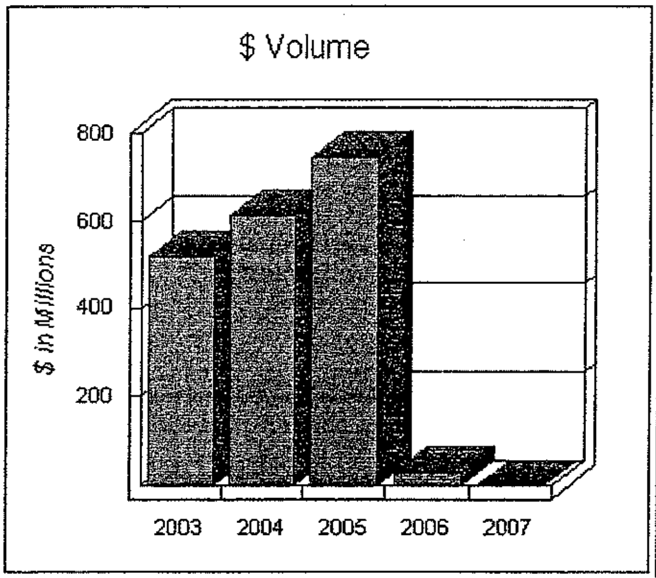
CoStar COMPS

Trend Report
Los Angeles
Land Transactions

CoStar Group, Inc
2 Bethesda Metro Center
Bethesda, MD 20814
Phone: (800) 204-5960
Fax: (800) 613-1301





	2003 1/1/2003 12/31/2003	2004 1/1/2004 12/31/2004	2005 1/1/2005 12/31/2005	2006 1/1/2006 12/31/2006	2007 1/1/2007 12/31/2007
Total Sales	**129**	**151**	**172**	**8**	**0**
Total $ Volume	**$515,994,992**	**$611,867,818**	**$744,350,434**	**$28,452,000**	**$0**
Total Square Feet	**16,461,390**	**19,644,309**	**9,028,624**	**257,836**	**0**
Total Acres	**377.90**	**450.97**	**207.27**	**5.92**	**0.00**
Average Sale Price	**$3,999,961**	**$4,052,105**	**$4,327,619**	**$3,556,500**	**$0**
Average Number of SF	**127,608**	**130,095**	**52,492**	**32,230**	**0**
Average Price Per SF	**$31.35**	**$31.15**	**$82.44**	**$110.35**	**$0**
Median Price Per SF	**$61.09**	**$80.69**	**$123.12**	**$148.09**	**$0.00**
Average Price Per Acre	**$1,365,418**	**$1,356,783**	**$3,591,224**	**$4,806,812**	**$0**
Median Price Per Acre	**$2,660,663**	**$3,514,945**	**$5,364,586**	**$6,450,604**	**$0**
Average Number of Acres	**2.93**	**2.99**	**1.21**	**0.74**	**0.00**

Search Criteria - Research Status: Published; PropType: COM, ILD, RES; RecDate: 1/1/2003 and later; pricelandsqft: $5.00-$300.00; RadiusMiles: 10; RadiusCenter: 9415 Venice Blvd, Culver City, CA 90232-2623;

Location

An adjustment for location may be required when the locational characteristics of a comparable property are different from those of the subject property. Most comparable properties in the same neighborhood have similar locational characteristics, but variations may exist within a neighborhood. The specific location of a comparable property can influence its price. Furthermore, the access and visibility from a major arterial or location within a specific area can have a positive impact upon the property price. Arterial exposure is especially important for ease of locating and accessing the property by the public.

As shown on the map contained in this appraisal report, the four comparable sales used have similar locations on arterial streets in the subject's general area, and have similar surrounding influences. No location adjustments are warranted to any of the sales.

Size

Typically, the price per square foot of a smaller parcel will be higher than the sales price per square foot of a larger parcel. This assumption is based upon the principle of "economy of scale", which is predicated upon the inverse relationship between size and price. Consequently, the smaller the size of a site, the higher the price per square foot. Adjustments for size are considered when there is a wide range in size between the comparable sales and the subject site.

The commercial component of the subject land has 14,827 sf while the comparables range in size from 5,280 sf to 76,230 sf net square feet. Sale 2, with 5,280 sf is adjusted upward as its small size limits its functional utility for development. Sale 4 with 76,230 sf is superior functional utility for development due to its larger size and is adjusted downward. Sales 1 and 3 are essentially in the same size range class as the subject and no size adjustments are applied to these two sales.

Shape/Site Orientation

The analysis of shape takes into consideration a particular site's dimensions, street frontage, width, depth, and shape. It relates to the "principle of functional utility". For example, an odd-shaped parcel may be appropriate for a dwelling; however, it is unacceptable for most types of commercial or industrial use. Also, odd shaped parcels may require additional development cost, especially for single-family residential subdivisions. Furthermore, odd-shaped parcels generally have less utility. The subject property has a rectangular. All of the sale comparables have similar shapes that are mostly rectangular and no adjustments for shape are warranted.

The subject site has a corner site orientation. Sale 2 is adjusted upward for interior site orientation which has inferior superior access and visibility.

Utilities/Offsites
The offsite adjustment takes into consideration certain infrastructure, such as utilities and services that are available to a particular site. Additionally, the quality, condition, and adequacy of the access to utility hookups can influence the sales price of a particular property.

The comparable sales were all considered to be generally similar to the subject in the availability of utilities and offsite improvements. No adjustments are warranted.

Topography
This adjustment considers each comparable in relation to the subject concerning land contours, grades, natural drainage, soils conditions, view, and general physical usability. The subject site is level. All of the comparable land sales included are also level sites and no topography adjustments are warranted.

Economic Characteristics
Economic characteristics in relation to land include the ability to generate income such as leasing land for site storage or billboard income. All of the comparables are similar in that no consideration is given to economic characteristics. No adjustments for economic characteristics are necessary.

Use/Zoning
In the valuation of vacant land, zoning is one of the primary factors in determining the best use of the property, given that zoning can serve as the test of legal permissibility. As a result, zoning is typically a primary element in the selection of market data. When comparable properties with the same zoning as the subject are lacking or scarce, parcels with slightly different zoning that have a similar highest and best use as the subject may be used as comparables. However, these comparables must be adjusted for the difference in utility if the market indicates that it is appropriate.

The subject commercially zoned component and all land sale comparables have similar, commercial zoning.

Non-Realty Components
Non-realty components of value include personal property, business concerns, or other items that do not constitute real property but may be included in the sales price of the comparables. None of the comparable prices include non-realty components. Therefore no adjustment is required.

The preceding adjustments have been applied to the land sales. These adjustments are summarized as follows:

Commercial Land Sales Adjustment Grid

ELEMENT	SUBJECT	LAND SALE 1		LAND SALE 2		LAND SALE 3		LAND SALE 4	
Sale Price	**N/A**		**$2,700,000**		**$550,000**		**$2,700,000**		**$13,000,000**
Property Rights	Fee Simple	Fee Simp	$0	Fee Simp	$0	Fee Simp	$0	Fee	$0
Adjusted Price	-		**$2,700,000**		**$550,000**		**$2,700,000**		**$13,000,000**
Financing Terms	N/A	Cash Eq.	$0	Cash Eq.	$0	Cash Eq.	$0	Cash Eq.	$0
Adjusted Price	**N/A**		**$2,700,000**		**$550,000**		**$2,700,000**		**$13,000,000**
Condition of Sale	N/A	None	$0	None		None	$0	None	
Adjusted Price	**N/A**		**$2,700,000**		**$550,000**		**$2,700,000**		**$13,000,000**
Improvements	None	Sim		Sim		Sim		Sim	
Adjusted Value	**N/A**		**$2,700,000**		**$550,000**		**$2,700,000**		**$13,000,000**
Lot Size (SF)	35,067 sf	20,848		5,280		20,037		76,230	
Unit Price	**N/A**		**$129.51**		**$104.17**		**$134.75**		**$170.54**
Market Conditions	N/A	8/18/05	14.0%	6/7/05	18.0%	3/30/2005	26.0%	2/8/2006	2.0%
Adjusted $/Unit			**$147.64**		**$122.92**		**$169.79**		**$173.95**
Location	Arterial	Similar		Similar	0.0%	Similar		Similar	
Adjusted $/Unit			**$147.64**		**$122.92**		**$169.79**		**$173.95**
Physical Aspects									
Lot Size (SF)		**20,848**		**5,280**	**10.0%**	**20,037**		**76,230**	**-10%**
Use	**Vacant**	**Sim**		**Sim**		**Sim**		**Sim**	
Shape/Orientation	**Rect/Cor**	**Corner**		**Interior**	**5.0%**	**Corner**		**Corner**	
Utilities/Offsites	**To Site**	**Sim**		**Sim**		**Sim**		**Sim**	
Topography	**Level**	**Sim**		**Sim**		**Sim**		**Sim**	
Economic Chars.	**Typical**	**Sim**		**Sim**		**Sim**		**Sim**	
Zoning	**C2-1**	**Sim**		**Sim**		**Sim**		**Sim**	
Non-Realty	**None**	**Sim**		**Sim**		**Sim**		**Sim**	
Total Adjustments		0.0%		15.0%		0.0%		-10.0%	
Adjusted Value/SF		**$147.64**		**$141.35**		**$169.79**		**$156.55**	
Ranking Order		2		4		1		3	

Commercial Land Value Conclusion

The value indications derived from the commercially zoned, comparable sales after all adjustments are applied are reconciled into a single value indication by arranging the sales in an array relative to the subject in terms of Value per SF of total site area. The adjusted price per square foot for commercial land ranges from $141.35 to $169.79.

Comparable	$ Per Square Foot
Land Sale #3	$169.79
SUBJECT	?
Land Sale #4	$156.55
Land Sale #1	$147.64
Land Sale #2	$141.35

Most emphasis is placed on Sales 1 and 3 as they are the most similar in size and location to the subject. In consideration of all factors, a value from the upper-middle range of all four sales is selected. It appears that $160.00 per sf for the commercial portion of the subject site is a reasonable and well-supported opinion of the site value, per sf, of the subject property.

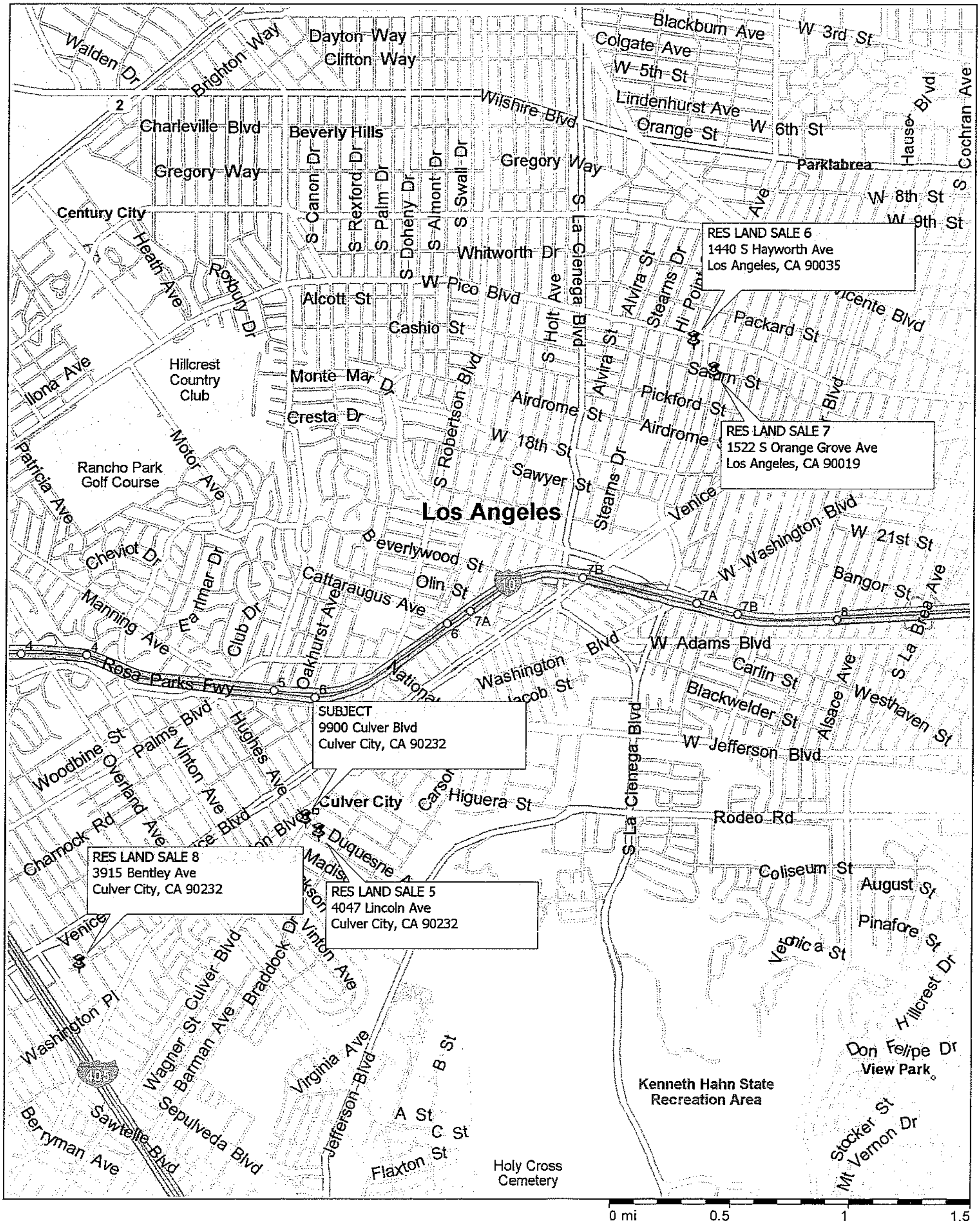
Conclusion for Subject's Commercially-Zoned, Two-lot Component

The market value of the subject's commercially zoned, two-lot component is calculated as follows:

	Area (sf)		$/Unit Value		Indicated Value
Value Commercial Component	14,827 sf	x	$160.00	=	$2,372,320

Note: An analysis of the residentially zoned, one-lot component of the subject site follows on the subsequent pages.

California, United States, North America



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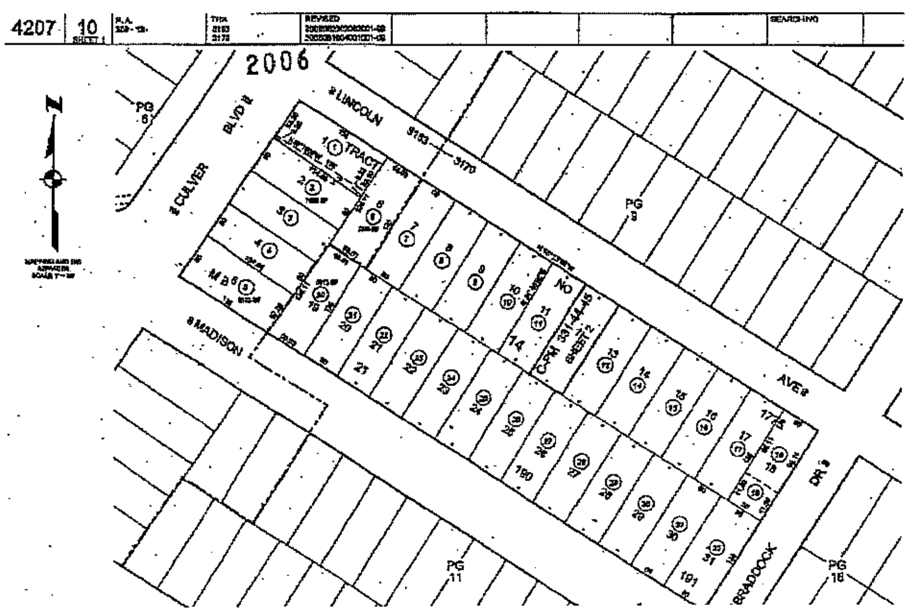
RESIDENTIAL LAND COMPARABLE #5		4047 Lincoln Avenue, Culver City	
Thomas Map Page:	672 G2	APN	4207-010-012
Sale Data			
Escrow Price:	$525,000	Price per sq. foot:	$77.78
Sale Date:	10/01/2002		
Terms:	All cash sale	Document Number:	
Physical Description		**Comments**	
Intended Use:	Construct 4-unit residential bldg	Similar, interior site.	
Lot Size:	6,750 SF		
Acres:	0.16		
Shape/Utility:	Rectangular		
Topography:	Level		
Offsites:	To Site		
Utilities:	To Site		
Zoning:	RMD, Culver City		
Buyer:	Brubaker		
Seller:	LINCO		
Source:	Public Records and MLS		



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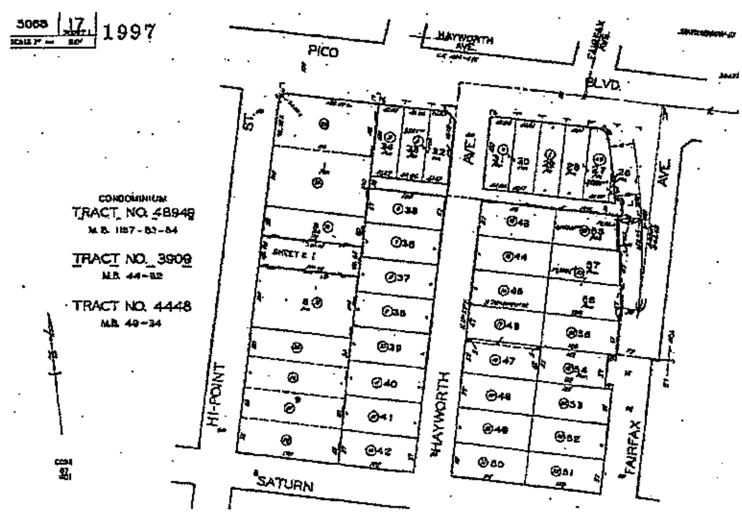
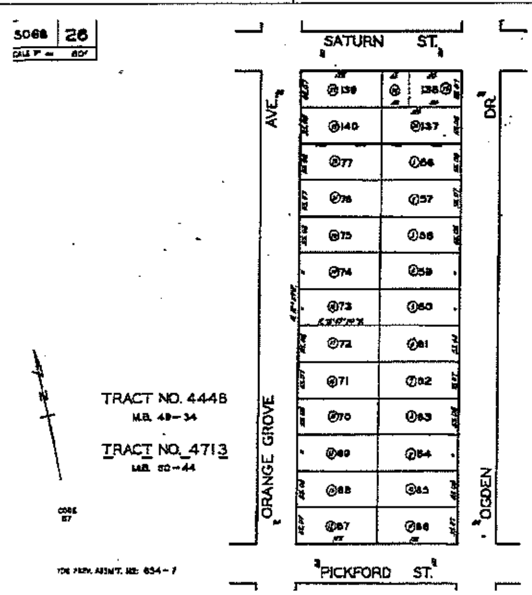
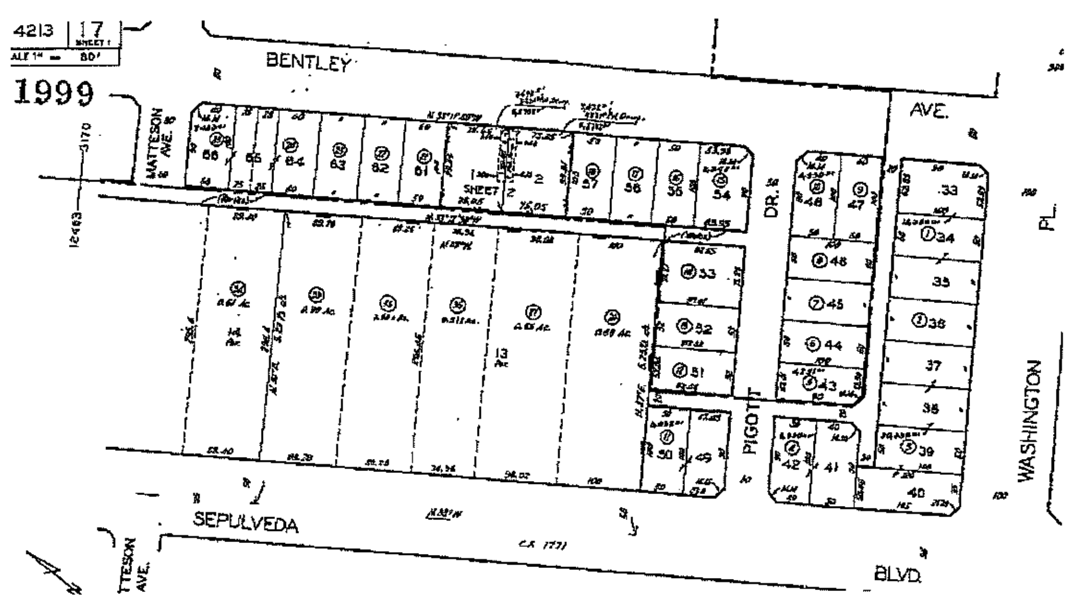
RESIDENTIAL LAND COMPARABLE #6		1440 S. Hayworth Avenue, Los Angeles	
Thomas Map Page:	633 A4	APN	5068-017-018
Sale Data			
Sales Price:	$970,000	Price per sq. foot:	$149.23
Sale Date:	9/9/2005		
Terms:	$650,000 1st TD with Washington Mutual	Document Number:	2174479
Physical Description		**Comments**	
Intended Use:	6-unit condominium project	Interior site.	
Lot Size:	6,500 sf	Site is currently improved with a 1,331 sf, SFR tear-down.	
Acres:	0.15		
Shape/Utility:	Rectangular	Land price paid per proposed unit is $121,250.	
Topography:	Mostly Level		
Offsites:	To Site		
Utilities:	To Site		
Zoning:	R3, Los Angeles		
Buyer:	Mousa Kouy-Ghadosh		
Seller:	Victory 26 LLC		
Source:	CoStar Comps		



RESIDENTIAL LAND COMPARABLE #7		1522-1530 S. Orange Grove Avenue, Los Angeles	
Thomas Map Page:	633 B4	APN	5068-026-019 and 020
Sale Data			
Sales Price:	$1,500,000	Price per sq. foot:	$109.03
Sale Date:	12/21/2005		
Terms:	75% 1st TD with Far East Nat Bank	Document Number:	3143904
Physical Description		**Comments**	
Intended Use:	17 condominium units	Interior site. Land price paid per proposed unit is $88,233.	
Lot Size:	13,758 sf		
Acres	0.32		
Shape/Utility:	Rectangular		
Topography:	Mostly Level		
Offsites:	To site		
Utilities:	To site		
Zoning:	R3, Los Angeles		
Buyer:	H&G Joint Venture GP		
Seller:	Imani Investment Holdings LLC		
Source:	CoStar Comps		



RESIDENTIAL LAND COMPARABLE #8		3915 Bentley Avenue, Culver City	
Thomas Map Page:	672 E3	APN	4213-017-024
Sale Data			
Sales Price:	$550,000	Price per sq. foot:	$73.33
Sale Date:	1/14/2004		
Terms:	All cash sale	Document Number:	88443
Physical Description		**Comments**	
Intended Use:	Construct 4-unit residential	Similar, Interior site. Similar, RMD zoning. Dated sale.	
Lot Size:	7,500 sf		
Acres:	0.17		
Shape:	Rectangle		
Topography:	Level		
Offsites:	To Site		
Utilities:	To Site		
Zoning:	RMD, Culver City		
Buyer:	Elwood F. Phillips		
Seller:	I & M Levy		
Source:	Public Records and MLS		



EXPLANATION OF ADJUSTMENTS FOR RESIDENTIAL LAND SALES

As part of the analysis, individual comparisons between each sale and the subject site are made. I have given consideration to real property rights conveyed, financing, conditions of sale, time/market conditions, as well as value characteristics such as location, size, shape, utilities/offsites, topography, flood zone, economic characteristics, use/zoning and non-realty components. The following is an explanation of the adjustments applied to the unit prices of the comparables.

Real Property Rights Conveyed

The subject site has been analyzed assuming fee simple ownership. All of the comparable sales involved transfers of fee simple rights, and therefore, no adjustments were needed for real property rights conveyed.

Financing

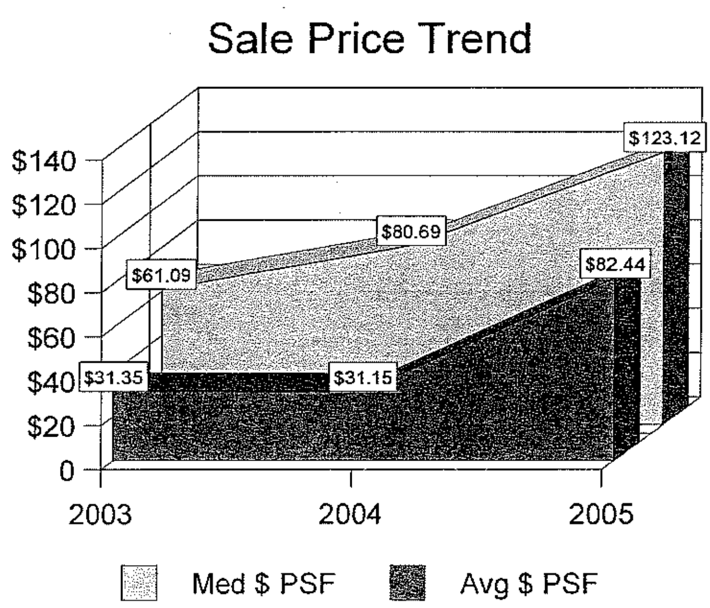
To the extent of the information available, the comparables transferred on an "all cash" basis or cash equivalent financing, therefore, no adjustments for financing were necessary.

Conditions of Sale

All sales were length transactions. No adjustments are warranted for condition of sale to the other three noted sales.

Time/Market Conditions

The most common way of gauging appreciation or depreciation in a market is based upon sales and re-sales of properties. Most properties similar to the subject property have had moderate appreciation over the past few years. As indicated in the table to the right, appreciation rates for commercial, industrial, and residential land sales within a ten-mile radius of the subject have appreciated about 100% over the past two years. Based upon my understanding of the marketplace, on the market study via CoStar Comps, and factoring in anticipated leveling off of prices, I have adjusted each sale for time/market conditions at +24% per year or +2.00% per month.



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Location

An adjustment for location may be required when the locational characteristics of a comparable property are different from those of the subject property. Most comparable properties in the same neighborhood have similar locational characteristics, but variations may exist within a neighborhood. The specific location of a comparable property can influence its price. Furthermore, the access and visibility from a major arterial or location within a specific area can have a positive impact upon the property price. Arterial exposure is especially important for ease of locating and accessing the property by the public.

As shown on the map contained in this appraisal report, Sales 5, 6, 7, and 8, the residentially-zoned, comparable, land sales used, have similar locations on secondary streets in the subject's general area, and have similar surrounding influences. No location adjustments are warranted to these sales.

Size

Typically, the price per square foot of a smaller parcel will be higher than the sales price per square foot of a larger parcel. This assumption is based upon the principle of "economy of scale", which is predicated upon the inverse relationship between size and price. Consequently, the smaller the size of a site, the higher the price per square foot. Adjustments for size are considered when there is a wide range in size between the comparable sales and the subject site.

The residential component of the subject site has 6,151 sf. All of the residential land sales are similar in size and no 'size' adjustments are considered warranted.

Shape/Site Orientation

The analysis of shape takes into consideration a particular site's dimensions, street frontage, width, depth, and shape. It relates to the "principle of functional utility". For example, an odd-shaped parcel may be appropriate for a dwelling; however, it is unacceptable for most types of commercial or industrial use. Also, odd shaped parcels may require additional development cost, especially for single-family residential subdivisions. Furthermore, odd-shaped parcels generally have less utility. The subject property has a rectangular. All of the sale comparables have similar shapes that are mostly rectangular and no adjustments for shape are warranted.

The subject site has an interior site orientation. All sales have similar, interior site orientations.

Utilities/Offsites

The offsite adjustment takes into consideration certain infrastructure, such as utilities and services that are available to a particular site. Additionally, the quality, condition, and adequacy of the access to utility hookups can influence the sales price of a particular property.

The comparable sales were all considered to be generally similar to the subject in the availability of utilities and offsite improvements. No adjustments are warranted.

Topography
This adjustment considers each comparable in relation to the subject concerning land contours, grades, natural drainage, soils conditions, view, and general physical usability. The subject site is level. All of the comparable land sales included are also level sites and no topography adjustments are warranted.

Economic Characteristics
Economic characteristics in relation to land include the ability to generate income such as leasing land for site storage or billboard income. No adjustments are warranted for this factor.

Use/Zoning
The residential zoned lot at the subject and all of the residentially zoned land sale comparables have similar, residential zoning.

However, Sales 6 and 7 of the land comparables are located in Los Angeles and have zoning that allows more intensive residential development when compared to the subject's RMD zoning which limits development density to 1 unit per 1,500 sf of lot area or four units. Sales 6 and 7 have R3 density which allows 1 unit per 800 sf. The four units at the subject could be substantially larger than the units proposed for these two comparables, however, there is, nevertheless, a negative impact on value due to the lower density allowed at the subject property.

The land price paid per proposed unit at the four sales, after adjustments are applied for all other factors, are: $181,068/unit for Sale 6, and $93,530/unit for Sale 7.

Applying the highest price per unit of $181,068 to the subject's potential four units indicates a value of $724,272, or $117.75/sf, which is 17% less than the average of the adjusted prices per sf value indicators derived from these two comparables. In view of the larger size units potential at the subject, this adjustment amount is tempered somewhat to be a -10% on these two sales.

The preceding adjustments have been applied to the land sales. These adjustments are summarized as follows:

Residential Land Sales Adjustment Grid

ELEMENT	SUBJECT	LAND SALE 5		LAND SALE 6		LAND SALE 7		LAND SALE 8	
Sale Price	**N/A**		**$525,000**		**$970,000**		**$1,500,000**		**$550,000**
Property Rights	Fee Simple	Fee Simp	$0	Fee Simp	$0	Fee Simp	$0	Fee	$0
Adjusted Price	-		**$525,000**		**$970,000**		**$1,500,000**		**$550,000**
Financing Terms	N/A	Cash Eq.	$0	Cash Eq.	$0	Cash Eq.	$0	Cash Eq.	$0
Adjusted Price	**N/A**		**$525,000**		**$970,000**		**$1,500,000**		**$550,000**
Condition of Sale	N/A	None	$0	None		None	$0	None	
Adjusted Price	**N/A**		**$525,000**		**$970,000**		**$1,500,000**		**$550,000**
Improvements	None	Sim		Sim		Sim		Sim	
Adjusted Value	**N/A**		**$525,000**		**$970,000**		**$1,500,000**		**$550,000**
Lot Size (SF)	6,151	6,750		6,500		13,758		7,500	
Unit Price	**N/A**		**$77.78**		**$149.23**		**$109.03**		**$73.33**
Market Conditions	N/A	10/1/02	82.0%	9/9/05	12.0%	12/21/05	6.0%	1/14/04	52.0%
Adjusted $/Unit			**$141.56**		**$167.14**		**$115.57**		**$111.47**
Location	Secondary	Similar		Similar		Similar		Similar	
Adjusted $/Unit			**$141.56**		**$167.14**		**$115.57**		**$111.47**
Physical Aspects									
Lot Size (SF)		**6,750**		**6,500**		**13,758**		**7,500**	
Use	**Vacant**	**Sim**		**Sim**		**Sim**		**Sim**	
Shape/Orientation	**Rect/Int**	**Sim**		**Sim**		**Sim**		**Sim**	
Utilities/Offsites	**To Site**	**Sim**		**Sim**		**Sim**		**Sim**	
Topography	**Level**	**Sim**		**Sim**		**Sim**		**Sim**	
Economic Chars.	**Typical**	**Sim**		**Sim**		**Sim**		**Sim**	
Zoning	**RMD**	**RMD**		**R3**	**-10.0%**	**R3**	**-10.0%**	**RMD**	
Non-Realty	**None**	**Sim**		**Sim**		**Sim**		**Sim**	
Total Adjustments		0.0%		-10.0%		-10.0%		0.0%	
Adjusted Value/SF		**$141.56**		**$150.42**		**$104.01**		**$111.47**	
Ranking Order		1		2		3		4	

Residential Land Value Conclusion

The value indications derived from the comparable sales after all adjustment are reconciled into a single value indication by arranging the sales in an array relative to the subject in terms of Value per SF of total site area. The adjusted price per square foot ranges from $104.01 to $150.42.

Comparable	$ Per Square Foot
Land Sale #2	$150.42
Land Sale #1	$141.56
SUBJECT	?
Land Sale #4	$111.47
Land Sale #3	$104.01

Most emphasis is placed on Sales 1 and 4 as they have the same RMD zoning as subject. Both of these sales are dated however and required substantial upward adjustments. Sales 2 and 3 are more recent sales of R3 land in nearby Los Angeles. Both of these sales required a downward adjustment for greater density allowed. In consideration of all factors, a value from the middle range of all four sales is selected.

It appears that $130.00 per sf for the subject site is a reasonable and well-supported opinion of the site value, per sf, for the residentially zoned, one-lot component of the subject property.

The market value of the subject's one-lot, residential component is calculated as follows:

	Area (sf)		$/Unit Value		Indicated Value
Value of Residential Component	6,151 sf	x	$130.00	=	$799,630

Total Site Value Conclusion

The total value of the subject property via the Sales Comparison Approach is calculated:

	Area (sf)		$/Unit Value		Indicated Value
Value of Residential Component	6,151 sf	x	$130.00	=	$799,630
Value Commercial Component	14,827 sf	x	$160.00	=	$2,372,320
Total					$3,171,950

The rounded market value conclusion of the subject property, via the (Land) Sales Comparison Approach is:

MARKET VALUE (Rounded) as of March 23, 2006	**$3,170,000**

RECONCILIATION AND FINAL CONCLUSION OF VALUE

The reconciliation is an analytical process whereby all the data developed during the application of the various appraisal methods are brought together and viewed in light of each other. The variation on value achieved by different approaches provides a desirable check and balance system since each approach has a particular economic orientation. The weighing of conclusions reached by each valuation method is predicated upon the quality and quantity of the data found and the relevancy of the approach to the problem under analysis.

The Cost Approach and Income Approach were not included in this report as they are not applicable in the appraisal of vacant land. The conclusion derived by the one appraisal approach presented in this report, is:

SALES COMPARISON APPROACH $3,170,000

The (Land) Sales Comparison Approach indicates the most probable selling price for a property based upon the comparison with sales of similar properties. Market conditions and all other influences on value must be reasonably adjusted for the indicated value to be accurate. The strong points for the Sales Comparison Approach in this report are:

1. All land sale comparables are located within the same general sphere of influence.

2. The sale dates of the comparables were relatively recent and reasonably reflect current market trends.

3. The data regarding the sales comparables is considered reliable and was verified with public records and/or real estate brokers, where available.

The (Land) Sales Comparison Approach is therefore considered a reliable method of estimating market value.

After giving consideration to all factors, including the subject property's location, appeal and physical characteristics, it is the appraiser's opinion that the 'As Is' market value of the fee simple interest of the subject property, as of March 23, 2006, is:

THREE MILLION ONE HUNDRED SEVENTY THOUSAND DOLLARS

$3,170,000

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the assumptions and limiting conditions stated in this report, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed and this report was prepared in conformity with the current requirements of the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- No one, other than the undersigned, provided significant professional assistance in the inspecting, data collection, analysis, and writing of this report.
- In accordance with the competency provision in the Uniform Standards of Professional Appraisal Practice, I certify that my education, experience and knowledge are sufficient to appraise the type of property being appraised.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.

3-25-06

Tupper W. Lienke, MAI
Certified General Real Estate Appraiser
California Certificate No. AG 001740

Date

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report is subject to underlying assumptions and limiting conditions qualifying the information contained in the report. Standard Rule 2-1 of the "Standards of Professional Appraisal Practice of the Appraisal Institute" requires the appraiser to "clearly and accurately disclose any extraordinary assumption or limiting condition that directly affects the appraisal and indicate its impact on value." In compliance with S.R.2-1, and to assist the reader in interpreting this report, such assumptions and limiting conditions are set forth as follows:

1. The conclusions and opinions expressed in this report apply to the date of value set forth in the letter of transmittal accompanying this report. The dollar amount of any value opinion or conclusion rendered or expressed in this report is based upon the purchasing power of the American dollar existing on the date of value.

2. The appraiser assumes no responsibility for economic, physical or demographic factors which may affect or alter the opinions in this report if said economic, physical or demographic factor were not present as of the date of the letter of transmittal accompanying this report. The appraiser is not obligated to predict future political, economic or social trends.

3. In preparing this report, the appraiser was required to rely on information furnished by other individuals or found in previously existing records and/or documents. Unless otherwise indicated, such information is presumed to be reliable. However, no warranty, either express or implied, is given by the appraiser for the accuracy of such information and the appraiser assumes no responsibility for information relied upon and later found to have been inaccurate. The appraiser reserves the right to make such adjustments to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.

4. No opinion as to the title of the subject property is rendered. Data related to ownership and legal description was obtained from public records and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements and restrictions except those specifically discussed in the report. The property is appraised assuming that it is under responsible ownership with competent management and available for its highest and best use.

5. The appraiser assumes no responsibility for hidden or unapparent conditions of the property, subsoil, ground water or structures that render the subject property more or less valuable. No responsibility is assumed for arranging for engineering, geologic or environmental studies that may be required to discover such hidden or unapparent conditions.

6. The appraiser has not been provided any information regarding the presence of any material or substance on or in any portion of the subject property or improvements thereon, which material or substance possesses or may possess toxic, hazardous and/or other harmful and/or dangerous characteristics. Unless otherwise stated in the report, the appraiser did not become aware of the presence of any such material or substance during the appraiser's inspection of the subject property. However, the appraiser is not qualified to investigate or test for the presence of such materials or substances. The presence of such materials or substances may adversely affect the value of the subject property. The value estimated in this report is predicated on the assumption that no such material or substance is present on or in the subject property or in such proximity thereto that it would cause a loss in value. The appraiser assumes no responsibility for the presence of any substance or material on or in the subject property, nor for any expertise or engineering knowledge required to discover the presence of such substance or material. Unless otherwise stated, this report assumes the subject property is in compliance with all federal, state and local environmental laws, regulations and rules.

7. Unless otherwise stated, the subject property is appraised assuming it to be in full compliance with all applicable zoning and land use regulations and restrictions.

8. Unless otherwise stated, the property is appraised assuming that all required licenses, permits, certificates, consents or other legislative and/or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

9. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area of the subject property was taken from sources considered reliable and no encroachment of the subject property is considered to exist other than those specifically discussed in this report.

10. No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as is expressly stated.

11. Maps, plats and exhibits included in this report are for illustration only to serve as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced or used apart from the report.

12. No opinion is intended to be expressed for matters which require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.

13. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

14. Possession of this report, or a copy of it, does not carry with it the right of publication. Without the written consent of the appraiser, this report may not be used for any purpose by any person other than the party to whom it is addressed. In any event, this report may be used only with proper written qualification and only in its entirety for its stated purpose.

15. Testimony or attendance in court or at any other hearing is not required by reason of rendering this appraisal, unless such arrangements are made a reasonable time in advance of said hearing. Further, unless otherwise indicated, separate arrangements shall be made concerning compensation for the appraiser's time to prepare for and attend any such hearing.

16. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.

ADDENDA

Chapter 17.220 - COMMERCIAL ZONING DISTRICTS

Sections:

17.220.005 - Purpose

This Chapter provides development and land use regulations in the commercial zoning districts established by Section 17.200.010 (Zoning Districts Established).

17.220.010 - Purpose of Commercial Zoning Districts

The purpose of the individual commercial zoning districts and the manner in which they are applied are as follows.

A. **CN (Commercial Neighborhood) District.** The CN zoning district identifies areas appropriate for retail sales, offices, and services that will primarily serve the daily needs of nearby residents. This district may also accommodate mixed use and live/work developments. The development standards and permit requirements of the CN district are intended to create a pedestrian-oriented environment. The CN zoning district is consistent with the Neighborhood Serving Corridor land use designation of the General Plan.

B. **CG (Commercial General) District.** The CG zoning district identifies areas along major corridors appropriate for small to medium scale commercial uses, emphasizing community serving retail, office and service uses. This district may also accommodate mixed use and live/work developments. The CG zoning district is consistent with the General Corridor land use designation of the General Plan.

C. **CC (Commercial Community) District.** The CC zoning district identifies areas appropriate for a wide range of medium scale commercial uses, with an emphasis on community serving retail restaurant and service uses that may share parking, and serve a citywide or community market area. The CC zoning district is consistent with the Community Serving Center land use designation of the General Plan.

D. **CD (Commercial Downtown) District.** The CD zoning district is applied to the area identified by the General Plan as the Downtown area. The standards of this district are intended to encourage medium and large scale commercial uses, with an emphasis on retail, entertainment,

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restaurant and cultural uses. This district may also accommodate mixed use and live/work uses. The development standards of the CD district are intended to provide a pedestrian-friendly environment with high visual quality. The CD zoning district is consistent with the Downtown land use designation of the General Plan.

E. CRR (Commercial Regional Retail) District. The CRR zoning district identifies areas appropriate for large scale commercial uses emphasizing a variety of retail uses including anchor tenants, entertainment and restaurant uses that may share parking, and serve a regional market area. The CRR zoning district is consistent with the Regional Center land use designation of the General Plan.

F. CRB (Commercial Regional Business Park) District. The CRB zoning district identifies areas appropriate for large scale office and business park developments with shared parking, including specific light industrial uses. The CRB zoning district is consistent with the Regional Center and Industrial Park land use designations of the General Plan.

17.220.015 - Commercial District Land Uses and Permit Requirements

Table 2-5 (Allowed Uses and Permit Requirements for Commercial Zoning Districts) identifies the uses of land allowed by this Title in the commercial zoning districts, and the land use permit required to establish each use in compliance with Subsection 17.200.020.B. (Determination of Allowable Land Uses and Permit Requirements).

Note: Where the last column in the tables ("See Specific Use Regulations") includes a section number, the regulations in the referenced section apply to the use; however, provisions in other sections of this Title may also apply.

TABLE 2-5 Allowed Uses and Permit Requirements for Commercial Zoning Districts	P Permitted Use; CUP Conditional Use Permit required; AUP Administrative Use Permit Required; - Use not allowed						
	PERMIT REQUIREMENT BY DISTRICT						**See Specific Use Regulations:**
LAND USE (1)	**CN**	**CG**	**CC**	**CD**	**CRR**	**CRB**	
INDUSTRY, MANUFACTURING & PROCESSING							
Cosmetic product manufacturing	-	-	-	-	-	P	
Electronics and equipment manufacturing	-	-	-	-	-	P	
Fabric products manufacturing	-	-	-	-	-	P	
Handcraft industries	-	-	-	-	-	P	
Media production - Indoor support facilities	-	P	-	-	-	P	
Media production - Soundstages	-	-	-	-	-	P	
Printing and publishing	-	P	P	-	P	P	
Recycling facility - Incidental small collection	-	P	P	-	-	P	17.400.090
Recycling facility - Small collection	-	AUP	AUP	-	-	AUP	17.400.090
Research and development (R&D)	-	-	-	-	-	P	
Warehousing and distribution facilities	-	-	-	-	-	P(2)	
RECREATION, EDUCATION & PUBLIC ASSEMBLY							
Arcade	-	AUP	AUP	P(3)	AUP	-	
Clubs, lodges, and private meeting halls	-	P	P	P(4)	-	P	
Health/fitness facilities	-	P	P	P(4)	P	P	
Indoor amusement/entertainment facilities	-	P	P	P	P	-	
Outdoor commercial recreation	-	CUP	CUP	-	CUP	CUP	
Public recreational and cultural facilities	P	P	P	P	P	P	
Public Schools	P	P	P	P	P	P	
Private Schools (5)	CUP	CUP	CUP	CUP	-	CUP	
Religious places of worship	CUP	P	P	-	-	P	
Studios - Art, dance, music, photography, etc.	P	P	P	P	P	P	
Theaters	P	P	P	P	P	P	
RESIDENTIAL							
Emergency shelters	CUP	CUP	CUP	-	-	-	
Home occupations	P	P	P	P	-	-	17.400.055
Live/work units	P	P	P	P	-	-	17.400.060
Mixed use projects	P	P	P	P	-	-	17.400.065
Residential care facilities, 6 or fewer clients	P	P	P	P	-	-	
Residential care facilities, 7 or more clients	CUP	CUP	CUP	-	-	-	
Senior citizen congregate care housing	CUP	CUP	CUP	-	-	-	
RETAIL TRADE							
Accessory food service	P	P	P	P	P	P	
Accessory retail uses	P	P	P	P	P	P	
Adult businesses (6)	-	P	P	-	-	-	
Artisan shops	P	P	P	P	P	P	

Notes:

(1) See Article 7 for definitions of the land uses listed.
(2) 10,000 sf maximum floor area.
(3) Up to 10 amusement devices are allowed in conjuction with a multiplex movie theater subject to Section 17.230.030
(4) Subject to ground floor restrictions; see Section 17.220.035 (CD District Requirements).
(5) AUP required for schools up to 1,500 square feet in area.
(6) Use only allowed subject to approval of an Adult Use Development Permit (See CCMC Chapter 11.13).

Continues on next page.

TABLE 2-5
Allowed Uses and Permit Requirements for Commercial Zoning Districts

P Permitted Use
CUP Conditional Use Permit required
AUP Administrative Use Permit Required
- Use not allowed

LAND USE (1)	PERMIT REQUIREMENT BY DISTRICT						See Specific Use Regulations:
	CN	CG	CC	CD	CRR	CRB	
RETAIL TRADE (cont.)							
Auto and vehicle sales/rental (2)	-	P	P	-	AUP	-	
Auto parts sales, retail	P	P	P	-	P	P	
Bars, night clubs (3)	-	CUP	CUP	CUP	CUP	CUP	
Building material stores	-	P	P	-	P	-	
Convenience stores (3)	P	P	P	-	P	P	
Firearms sales	-	CUP	CUP	-	CUP	CUP	
General retail stores (3)	P	P	P	P	P	P	
Internet Cafe	AUP	P	P	P	P	P	
Mobile home and RV sales	-	CUP	-	-	-	CUP	
Outdoor retail sales and display (4)	AUP	AUP	AUP	AUP	AUP	AUP	17.400.075
Pawnshops	-	CUP	-	-	-	-	17.400.085
Pet Shop	P	P	P	P	P(5)	P	
Plant nurseries, retail	P	P	P	P	P	P	17.400.080
Restaurants, counter service (3)	AUP	P	P	P	P	P	
Restaurants, table service (3)	P	P	P	P	P	P	
Restaurants, outdoor dining (3)	AUP	AUP	AUP	AUP	AUP	AUP	17.400.070
Second hand stores	P	P	-	-	-	-	
Shopping center	P	P	P	-	P	-	
Warehouse retail stores	-	-	-	-	CUP	-	
SERVICE							
Adult day care facilities	CUP	CUP	CUP	-	-	CUP	
Automated teller machines (ATMs)	P	P	P	P	P	P	17.400.025
Banks and financial services	P	P	P	P	P	P	
Business and consumer support services	P	P	P	P(6)	P	P	
Catering services	P	P	P	P(6)	P	P	
Check cashing businesses	-	CUP	CUP	-	CUP	CUP	17.400.030
Child day care centers	CUP	CUP	CUP	CUP	-	CUP	
Child day care, Large family day care homes	AUP	AUP	-	-	-	-	17.400.035
Child day care, Small family day care homes	P	P	-	-	-	-	

Notes:

(1) See Article 7 for definitions of the land uses listed.

(2) Auto sales establishments selling used vehicles exclusively are subject to approval of a Conditional Use Permit (see Chapter 17.530).

(3) For permit requirements related to the sale of Alcoholic Beverages see Section 17.400.015

(4) Ancillary to a primary retail use.

(5) Only one pet shop shall be permitted within any one shopping center. The tenant space shall be located so as to share no more than one common wall with any other tenant.

(6) Subject to ground floor restrictions; see Section 17.220.035 (CD District Requirements)

Continues on next page.

TABLE2-5 llowed Uses and Permit Requirements for Commercial Zoning Districts	P Permitted Use CUP Conditional Use Permit required AUP Administrative Use Permit Required - Use not allowed						
LAND USE (1)	**PERMIT REQUIREMENT BY DISTRICT**						**See Specific Use Regulations:**
	CN	**CG**	**CC**	**CD**	**CRR**	**CRB**	
SERVICE (cont.)							
Construction contractors, no outdoor storage	P	P	P	-	-	P	
Drive-thru facilities or services	-	CUP	CUP	-	CUP	CUP	17.400.045
Hotels and motels	P	P	P	P(2)	P	P	
Medical services - Office/Clinics	P	P	P	P(2)	P	P	
Medical services - Labs	-	P	P	P(2)	P	P	
Medical services - Hospitals	-	P	P	P	-	P	
Mortuaries	-	P	P		-	P	
Offices	P	P	P	P(2)	P	P	
Personal services	P	P	P	P(2)	P	P	
Pet day care	-	AUP	AUP	-	AUP(3)	AUP	17.400.020
Public safety facilities	P	P	P	P(2)	P	P	
Public utility facilities	CUP	CUP	CUP	-	CUP	CUP	
Storage, Outdoor	AUP	AUP	AUP	-	AUP	AUP	17.400.080
Vehicle services - Accessories installation	-	P	-	-	P	P	17.400.125
Vehicle services - Car washes	CUP	CUP	CUP	-	CUP	CUP	
Vehicle services - Fueling stations	CUP	P	P	-	P	P	17.400.120
Vehicle services - Fueling, incidental repair,	CUP	CUP	CUP	-	CUP	CUP	17.400.125
Vehicle services - Maintenance/repair	-	CUP	CUP	-	-	CUP	17.400.125
Vehicle services - Towing, no storage	-	P	P	-	-	P	17.400.125
Veterinary clinics and animal hospitals	-	AUP	AUP	-	AUP(3)	AUP	17.400.020
TRANSPORTATION & COMMUNICATIONS							
Broadcast studios	-	P	P	P	-	P	
Parking facilities	P	P	P	P	P	P	
Pipelines and utility lines (underground)	P	P	P	P	P	P	
Telecommunications facilities, cellular	AUP	AUP	AUP	AUP	AUP	AUP	17.400.110
Telecommunications facilities, dish antennas	See Section 17.400.110 for permit requirements						17.400.110

Notes:

(1) See Article 7 for definitions of the land uses listed.

(2) Subject to ground floor restrictions; see Section 17.220.035 (CD District Requirements).

(3) Ancillary to a pet shop only.

17.220.020 - Commercial Zoning District Development Standards

A. **General Requirements.** Subdivisions, new land uses and structures, and alterations to existing land uses and structures in the CN, CG, CC and CD zones, shall be designed, constructed, and/or established in compliance with the requirements in Table 2-6 (Commercial District Development Standards - CN, CG, CC, CD). Subdivisions, new land uses and structures, and alterations to existing land uses and structures in the CRR and CRB Zones, shall be designed, constructed, and/or established in compliance with the requirements in Table 2-7 (Commercial District Development Standards - CRR, CRB). In addition, the applicable development standards (e.g., landscaping, parking and loading, etc.) in Article 3 (Site Planning and General Development Standards) shall apply to all commercial zoning districts.

Table 2-6
Commercial District Development Standards (CN, CG, CC, CD)

Development Feature	Requirement by Zoning District			
	CN	CG	CC	CD
Minimum lot area	Minimum lot area determined through subdivision review process.			
Residential development	Subject to the requirements of Live/Work Development Standards (Section 17.400.060) and/or the Mixed Use Development Standards (Section 17.400.065).			
Setbacks	**Minimum setbacks required. See Section 17.300.020 (Setback Regulations and Exceptions).**			
Street facing	None Required.			None Required. (1)
Side	None Required.			
Side Adjacent to Residential Zone	For first 15 ft of building height: 10 ft required. For portions of structure above 15 ft in height a 60 degree clear zone angle must be maintained, measured from 15 ft above the existing grade and from 10 feet from the side property line. (2)			
Rear	None Required.			
Rear Adjacent to Residential Zone	For first 15 ft of building height: 10 ft required. For portions of structure above 15 ft in height a 60 degree clear zone angle must be maintained, measured from 15 ft above the existing grade and from 10 ft from the rear property line. (2)			
Alley	2 ft The width of an alley may be credited toward the setback requirement for properties adjacent to residential zones.			
Height limit (3)	43 ft	56 ft (4)	56 ft (4)	See CD District Requirements: Section 17.220.035.
Landscaping	As required by Chapter 17.310 (Landscaping).			
Parking and loading	As required by Chapter 17.320 (Off-Street Parking and Loading).			See CD District Requirements Section 17.220.035 and Chapter 17.320.
Signs	As required by Chapter 17.330 (Signs).			

Notes:

(1) Except in compliance with the *Design for Development of the Downtown Area.* No setback shall be provided for at least 75% of any new exterior building wall resulting from the addition of building floor area along the east and west sides of Main St., the north side of Culver Blvd. between Canfield and Duquesne Aves., and both sides of Washington Blvd. between Watseka and Hughes Aves.
(2) See Figure 2-1 (Commercial Setback Adjacent to Residential Zone).
(3) See Section 17.300.025 (Height Measurement and Height Limit Exceptions).
(4) This provision is as approved by Initiative Ordinance No. 90-013½ adopted April 17, 1990, or as may be amended.

Table 2-7
Commercial District Development Standards (CRR, CRB)

Development Feature	Requirement by Zoning District	
	CRR	CRB
Minimum lot area	Minimum lot area determined through subdivision review process.	
Residential development	None allowed.	
Setbacks	**Minimum setbacks required. See Section 17.300.020 (Setback Regulations and Exceptions).**	
Street facing	Parcels up to 20,000 square feet in area: 5 ft Parcels over 20,000 square feet in area: 15 ft	
Side	None Required.	
Side adjacent to residential	60 ft	12 ft plus one foot of additional setback for every two ft in building height above 20 ft. (1)
Rear	None Required	
Rear adjacent to residential	60 ft	12 ft plus one foot of additional setback for every two ft in building height above 20 ft. (1)
Alley	2 ft The width of an alley may be credited toward the setback requirement for properties adjacent to residential zones.	
Height limit (2)	56 ft (3)	56 ft (3)
Landscaping	As required by Chapter 17.310 (Landscaping).	
Parking and loading	As required by Chapter 17.320 (Off-Street Parking and Loading).	
Signs	As required by Chapter 17.330 (Signs).	

Notes:

(1) See Figure 2-2 (Examples of CRB, IL, IG Setbacks Adjacent to Residential Zone).
(2) See Section 17.300.025 (Height Measurement and Height Limit Exceptions).
(3) This provision is as approved by Initiative Ordinance No. 90-013½ adopted April 17, 1990, or as may be amended.

Figure 2-1
Commercial Setback Adjacent to Residential Zone

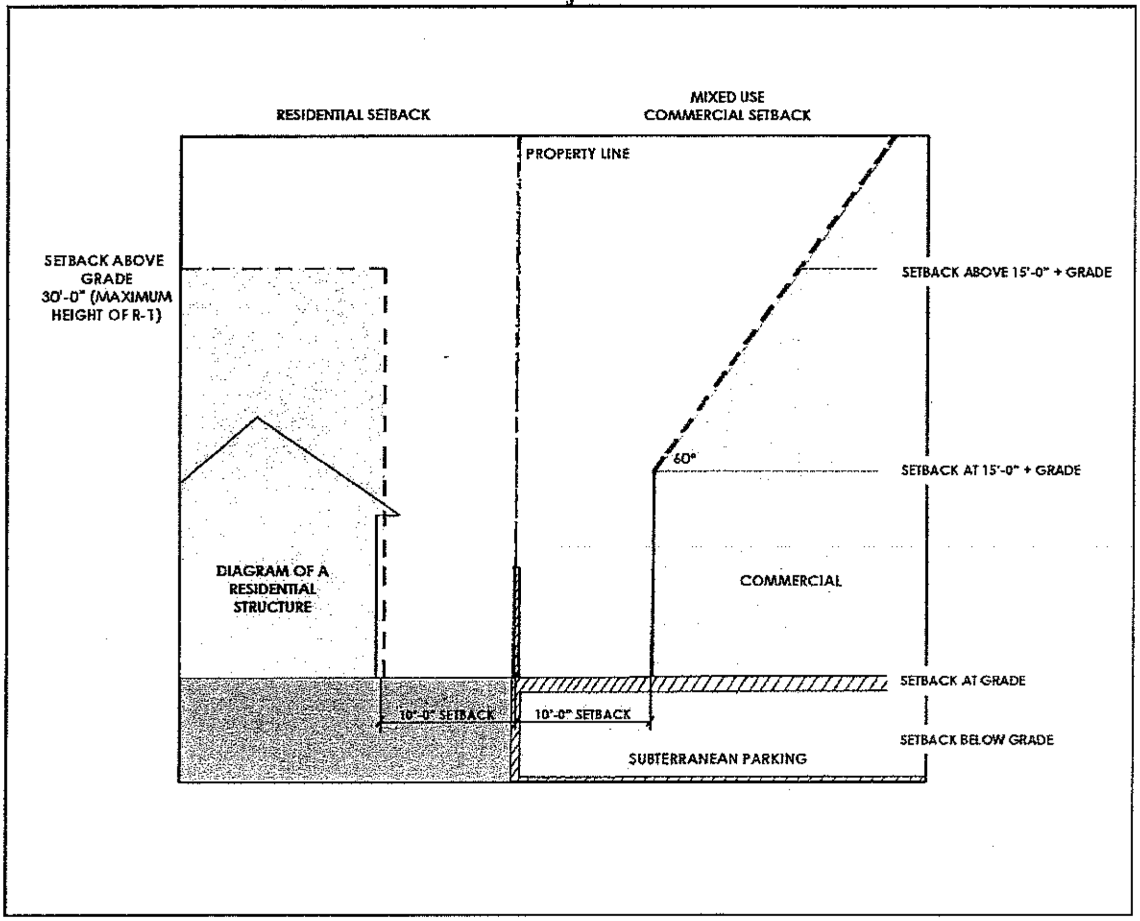

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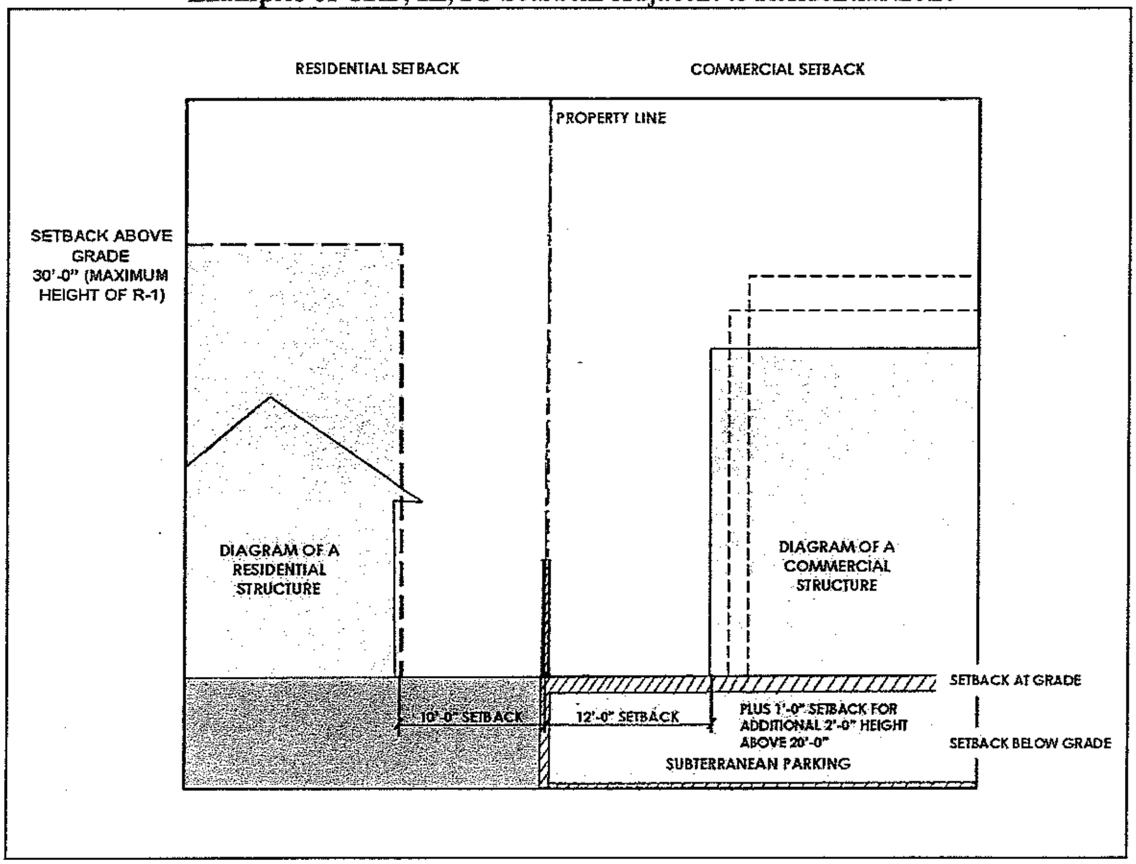
Figure 2-2
Examples of CRB, IL, IG Setbacks Adjacent to Residential Zone



17.220.025 - Commercial Neighborhood (CN) District Requirements

Land uses allowed within the CN zoning district by Table 2-5 (Allowed Uses and Permit Requirements for Commercial Zoning Districts) shall comply with the following provisions, in addition to the development standards in Section 17.220.020 (Commercial District Development Standards) and all applicable provisions of Article 3 (Site Planning and General Development Standards).

A. Public Entrance. Buildings proposed for retail trade or service uses shall be designed to locate the main entrance on the principal street frontage of the site or within 50 feet of the frontage, as determined by the Director. Side and/or rear entrances from public parking areas may also be provided.

17.220.030 - Commercial General (CG) District Requirements

Land uses allowed within the CG zoning district by Table 2-5 (Allowed Uses and Permit Requirements for Commercial Zoning Districts) shall comply with the following provisions, in addition to the

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development standards in Section 17.220.020 (Commercial District Development Standards) and all applicable provisions of Article 3 (Site Planning and General Development Standards).

A. **Incidental Light Manufacturing.** Light Manufacturing incidental to the retail sale of goods from the premises only, upon the following provisions.

1. That not more than 25% of the ground floor area of any building may be used for such purpose;

2. That any such portion of any building or premises used for such incidental manufacturing shall not be nearer than 50 feet to any residential zone;

3. That such incidental manufacturing is not objectionable due to noise, odor, dust, smoke, vibration or other similar causes;

4. That the area required for the storage of materials to be manufactured shall be included within the maximum 25% allowable floor area.

17.220.035 - Commercial Downtown (CD) District Requirements

Land uses allowed within the CD zoning district by Table 2-5 (Allowed Uses and Permit Requirements for Commercial Zoning Districts) shall comply with the following provisions, in addition to the development standards in Section 17.220.020 (Commercial Zoning District Development Standards) and all applicable provisions of Article 3 (Site Planning and General Development Standards).

A. **Ground Floor Restriction.** Land uses shown in Table 2-5 (Allowed Uses and Permit Requirements for Commercial Zoning Districts) as being subject to ground floor restrictions shall not be located on the ground floor of any building, in the following locations;

1. Both sides of Main Street;

2. The north side of Culver Boulevard from Canfield Avenue to Duquesne Avenue;

3. Both sides of Washington Boulevard between Watseka Avenue and Hughes Avenue; and

4. The Culver Boulevard and Washington Boulevard frontages of the Town Plaza and Town Park areas, except where other uses are allowed by the Culver City Redevelopment Agency in an Owner-Participation Agreement or a Disposition and Development Agreement.

Exemptions from ground floor use or design restrictions may be granted for designated historic structures when it can be demonstrated, by substantial evidence, that such restrictions would seriously compromise the economic viability or architectural integrity of the building.

B. **Height Requirements.**

1. The greater of 2 stories or 30 feet on either side of Main Street, except for the southerly 80 feet (north of Culver Boulevard.).

2. The greater of 3 stories or 44 feet along the southerly 80 feet of Main Street (north of Culver Boulevard), on the north side of Culver Boulevard from Canfield to Duquesne Avenues, and on the north or south sides of Washington Boulevard between Watseka and Hughes Avenues; or

3. 56 feet for all other areas, except for buildings within the Town Park and Town Plaza areas, which are governed by the Design for Development for the Downtown area.

C. **Parking Requirements**. In the event the downtown parking demand exceeds the pooled parking supply, as reasonably determined by the Director, all new buildings or proposed intensification of uses in the CD Zone shall be required to provide parking on-site or as otherwise permitted in this Section and Title.

1. Restaurant, retail stores, and similar uses, and entertainment/recreational uses operated in conjunction with a restaurant other than a fast food or take-out only restaurant: 2.5 spaces for each 1,000 square feet of gross floor area.

2. Outdoor dining areas: There shall be no separate parking requirements for the first 20,000 gross square feet of outdoor dining area within the CD Zone, as determined by the Director; provided that any gross square footage of outdoor dining area which exceeds 20,000 gross square feet shall provide parking at the rate of 2.5 parking spaces for each 1,000 square feet of gross outdoor dining area, except the first 250 square feet of each additional area shall have no additional parking requirement. As of the effective date of the section, all the existing outdoor dining areas shall be included in the calculation of the 20,000 square foot base criteria.

3. Financial institutions, corporate offices, medical offices and similar uses: 3.4 parking spaces for each 1,000 square feet of gross floor area, which requirement may be reduced by the City to 2.7 parking spaces for each 1,000 square feet of gross floor area subject to implementation of a Transportation Demand Management program approved by the City.

4. Theaters: The parking requirement shall be determined by the Director for each facility based on a parking demand/supply study.

5. Additional parking provisions: When applying the provisions of Section 17.320.025 (Alternative Parking Provisions), the legal walking distance of off-site parking spaces may be extended to allow the utilization of off-street parking areas within the boundaries of the CD Zone or any City off-street parking lot within 750 feet of the CD Zone boundary.

6. Evening and weekend use: Where the operator of a business provides parking at the levels established in Subsection 17.220.035.C. 1,2,3 or 4, the City may require the operator to allow general public use of the parking spaces during evening and weekend hours, where feasible.

D. **Multiplex Theater Amusement Devices**. Amusement devices are permitted in conjunction with a multiplex movie theater complex of at least 10 screens subject to all the following criteria:

1. No more than 10 amusement devices shall be permitted in a complex.

2. Amusement devices shall be located within the theater complex and used only by theater customers who have purchased tickets.

3. An amusement area shall not occupy more than 500 square feet of floor area.

4. An amusement area shall be screened so as not to be generally visible from the exterior of the theater complex.

5. An amusement area shall be accessible only by means of the main customer entrance for the theater complex.

17.220.040 - Commercial Regional Business Park (CRB) District Requirements

Land uses allowed within the CRB zoning district by Table 2-5 (Allowed Uses and Permit Requirements for Commercial Zoning Districts) shall comply with the following provisions, in addition to the development standards in 17.220.020 (Commercial District Development Standards) and all applicable provisions of Article 3 (Site Planning and General Development Standards).

A. **Enclosed Building Requirement.** All activities otherwise permitted under this zone classification shall be conducted wholly within a completely enclosed building, further that a wall constructed in conformity with the provisions of this Title relating thereto shall be constructed between premises utilized for the uses of this zone and any abutting residentially zoned property.

B. **Vicinity Impacts.** The building, machinery and equipment shall be so constructed, installed and maintained, and the activity conducted therein shall be such that all noises, vibration, dust, odor and other objectionable factors shall be reduced to the extent that no annoyance or injury will result to any persons residing in the vicinity of such CRB premises.

Chapter 17.210 - RESIDENTIAL ZONING DISTRICTS

Sections:

17.210.005 - Purpose of Chapter

This Chapter provides residential development and use regulations in the residential zoning districts established by Section 17.200.010 (Zoning Districts Established).

17.210.010 - Purpose of Residential Zoning Districts

The purpose of the individual residential zoning districts and the manner in which they are applied are as follows.

A. **R1 (Single-Family Residential) District.** The R1 zoning district identifies areas characterized by single-family dwellings. The standards of the R1 district are intended to protect the existing density and maintain the character of single-family residential neighborhoods. The R1 zoning district is consistent with the Low Density Single Family land use designation of the General Plan.

B. **R2 (Two-Family Residential) District.** The R2 zoning district identifies areas characterized by single-family dwellings and duplexes. The R2 standards are intended to maintain the character of existing neighborhoods, while allowing the opportunity for two-family residential development. The R2 zoning district is consistent with the Low Density Two Family land use designation of the General Plan.

C. **R3 (Three-Family Residential) District.** The R3 zoning district identifies areas characterized by single-family homes, duplexes, and triplexes. The R3 standards are intended to maintain the character of existing neighborhoods, while allowing a mix of housing types. The R3 zoning district is consistent with the Low Density Three Family land use designation of the General Plan.

D. **RLD (Low Density Multiple-Family Residential) District.** The RLD zoning district identifies areas characterized by low density multiple-family dwellings. The standards of the RLD district are intended to ensure that new development is compatible with the character of existing neighborhoods. The RLD zoning district is consistent with the Low Density Multiple Family land use designation of the General Plan.

E. **RMD (Medium Density Multiple-Family Residential) District.** The RMD zoning district identifies areas characterized by medium density multiple-family dwellings. The standards of the RMD district are intended to provide opportunities for the construction of medium density multiple-family housing. The RMD zoning district is consistent with the Medium Density Multiple Family land use designation of the General Plan.

F. **RHD (High Density Multiple-Family Residential) District.** The RHD zoning district identifies areas characterized by existing large scale, multiple-family residential complexes. The standards of the RHD zoning district are intended to ensure that new high density residential projects are compatible with the character of existing large scale multiple-family development. The RHD zoning district is consistent with the Planned Residential Development land use designation of the General Plan.

17.210.015 - Residential Zoning District Land Uses and Permit Requirements

A. **General Requirements.** Table 2-2 (Allowed Uses and Permit Requirements for Residential Zoning Districts) identifies the uses of land allowed by this Zoning Code in each residential zoning district, and the land use permit required to establish each use, in compliance with Subsection 17.200.020.B. (Determination of Allowable Land Uses and Permit Requirements).

Note: Where the last column in the tables ("See Specific Use Regulations") includes a section number, the regulations in the referenced section apply to the use; however, provisions in other sections of this Title may also apply.

TABLE 2-2
Allowed Uses and Permit Requirements for Residential Zoning Districts

P Permitted Use
CUP Conditional Use Permit Required
AUP Administrative Use Permit Required
- Use not allowed

LAND USE (1)	PERMIT REQUIREMENT BY DISTRICT						See Specific Use Regulations:
	R1	R2	R3	RLD	RMD	RHD	
RECREATION, EDUCATION, & PUBLIC ASSEMBLY							
Public recreational and cultural facilities	P	P	P	P	P	P	
Private residential recreational facilities	-	-	-	P	P	P	
Religious places of worship	CUP	CUP	CUP	CUP	CUP	CUP	
Public Schools - Kindergarten to 12th grade (2)	P	P	P	P	P	P	
Private Schools - Kindergarten to 12th grade (2)	CUP(3)	CUP(3)	CUP(3)	CUP	CUP	CUP	
RESIDENTIAL							
Accessory dwelling units	AUP	AUP	AUP	-	-	-	17.400.095
Accessory residential structures and uses	P	P	P	P	P	P	17.400.100
Duplex	-	P	P	P	P	P	
Home occupations	P	P	P	P	P	P	17.400.055
Multiple-family dwellings	-	-	-	P	P	P	17.400.105
Residential care facility, 6 or fewer clients	P	P	P	P	P	P	
Residential care facility, 7 or more clients	CUP(4)	CUP(4)	CUP(4)	CUP	CUP	CUP	
Senior citizen congregate care housing	-	-	-	CUP	CUP	CUP	
Single-family dwellings	P	P	P	P	P	P	
Triplex	-	-	P	P	P	P	
SERVICE							
Adult day care facilities	CUP	CUP	CUP	CUP	CUP	CUP	
Child day care centers	-	-	-	CUP	CUP	CUP	17.400.035
Child day care, Large family day care homes	AUP	AUP	AUP	AUP	AUP	AUP	17.400.035
Child day care, Small family day care homes	P	P	P	P	P	P	17.400.035
Public utility or safety facilities	CUP	CUP	CUP	CUP	CUP	CUP	
TRANSPORTATION & COMMUNICATIONS							
Pipelines and utility lines (underground)	P	P	P	P	P	P	
Telecommunications facilities, cellular (5)	CUP	CUP	CUP	CUP	CUP	CUP	17.400.110
Telecommunications facilities, dish antennas	See Section 17.400.110 for permit requirements						17.400.110

Notes:

(1) See Article 7 for definitions of the land uses listed.
(2) Use only allowed on a site designated for such use by the General Plan.
(3) Use only allowed on a site declared surplus by the Culver City Unified School District.
(4) Use only allowed on a site of 5 acres or more.
(5) Use only allowed on a site owned and controlled by the City or other governmental agency.

17.210.020 - Residential Zoning Districts Development Standards

A. **General Requirements.** Subdivisions, new land uses and structures, and alterations to existing land uses and structures in the R1, R2 and R3 zones shall conform to the requirements in Table 2-3 (Residential Districts Development Standards - R1, R2 ,R3). Subdivisions, new land uses and structures, and alterations to existing land uses and structures in the RLD, RMD and RHD zones shall conform to the requirements in Table 2-4 (Residential District Development Standards - RLD, RMD, RHD). In addition, the applicable development standards in Article 3 (Site Planning and General Development Standards) apply to all Residential Zoning Districts.

Table 2-3
Residential Districts Development Standards (R1, R2, R3)

Development Feature	Requirement by Zoning District		
	R1	**R2**	**R3**
Minimum lot area (1)	5,000 sf or the average area of residential lots within a 500 ft radius of proposed subdivision, whichever is greater.		
Lot width (2)	50 ft		
Lot depth	100 ft		
Maximum number of dwelling units allowed per parcel (3)	1 unit	2 units	3 units
Dwelling size	***Maximum and minimum allowed floor area, not including any garage or other non-habitable space.***		
Maximum area	1,500 sf plus 40% of net lot area for parcels less than 8,000 sf; 60% of net lot area for parcels 8,000 sf or more.		
Minimum area	1,000 sf on the ground floor.	1,000 sf for a single family unit; 750 sf / unit in a duplex.	1,000 sf for a single family unit; 750 sf for a duplex or triplex.
Setbacks (4)	***Minimum setbacks required. See Section 17.300.020 (Setback Regulations and Exceptions).***		
Front	20 ft	15 ft	10 ft, or ½ the building height, whichever is greater.
Sides (each)	4 ft		5 ft
Rear	10 ft		
Minimum distance between structures	5 ft between accessory residential structures; 8 ft between detached dwelling units.		
Open space	***Minimum area of a site to remain uncovered by structures, in compliance with Section 17.400.100 (Residential Uses - Accessory Residential Structures).***		
Private	None required other than setbacks.		
Common	None required.		
Height limit (4) (5)	2 stories and 30 ft		
Landscaping	As required by Chapter 17.310 (Landscaping).		
Parking	As required by Chapter 17.320 (Offstreet Parking and Loading).		
Signs	As required by Chapter 17.330 (Signs).		

Notes:

(1) Minimum lot area for parcels proposed in new subdivisions and lot line adjustments. Condominium, townhome, or planned development projects may be subdivided with smaller parcel sizes for ownership purposes, with the minimum lot area determined through the subdivision review process, provided that the overall development site complies with the minimum lot size requirements of this Chapter.

(2) Minimum required width measured at the street property line, except as otherwise provided by Section 15.10.700. (Subdivision Design Standards) for curved lot frontages and flag lots.

(3) For standards for Accessory Dwelling Unit, see Section 17.400.095.

(4) For standards for Accessory Residential Structures, see Section 17.400.100.

(5) For standards for Height Measurement and Height Limit Exceptions, see Section 17.300.025.

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Table 2-4
Residential District Development Standards (RLD, RMD, RHD)

Development Feature	Requirement by Zoning District		
	RLD	**RMD**	**RHD**
Minimum lot area (1)	5,000 sf or the average of residential lots within a 500 ft radius of the proposed subdivision, whichever is greater.		
Lot width (2)	50 ft		
Lot depth	100 ft		
Maximum Density	1 unit / 2,904 sf of net lot area.	1 unit / 1,500 sf of net lot area, up to a maximum of 9 units. (3)	1 unit / 1,500 sf of net lot area.
Dwelling size	***Maximum and minimum allowed floor area not including any garage or other non-habitable space.***		
Maximum area	No limitation.		
Minimum area	Studio Unit: 500 sf 1 Bedroom Unit: 700 sf 2 Bedroom Unit: 900 sf 3 Bedroom Unit: 1,100 sf More than 3 Bedrooms: 1,100 sf plus 150 sf for each bedroom over 3.		
Setbacks (4)	***Minimum setbacks required. See Section 17.300.020 (Setback Regulations and Exceptions).***		
Front	10 ft, or ½ the building height, whichever is greater.		
Sides (each)	10 ft	5 ft	10 ft
Rear	15 ft	10 ft; 5 ft when adjacent to an alley.	15 ft
Minimum distance between structures	5 ft; 10 ft between detached dwelling units.		
Open space	***Minimum area of a site to remain uncovered by structures, in compliance with Section 17.400.105 (Multiple-Family Residential Standards)***		
Private	100 sf / unit		
Common	None required.		30% of net lot area.
Height limit (5)	2 stories and 30 ft		3 stories and 40 ft
Landscaping	As required by Chapter 17.310 (Landscaping).		
Parking	As required by Chapter 17.320 (Off-Street Parking and Loading).		
Signs	As required by Chapter 17.330 (Signs).		

Notes:

(1) Minimum lot area for parcels proposed in new subdivisions and lot line adjustments. Condominium, townhome, or planned development projects may be subdivided with smaller parcel sizes for ownership purposes, with the minimum lot area determined through the subdivision review process, provided that the overall development site complies with the minimum lot size requirements of this Chapter.

(2) Minimum required width measured at the street property line, except as otherwise provided by Section 15.10.700. (Subdivision Design Standards) for curved lot frontages and flag lots.

(3) The maximum density of 9 units per development parcel shall not apply to RMD zoned properties on Grand View Boulevard between Washington Place and Herbert Street.

(4) For standards for Accessory Residential Structures see, Section 17.400.100.

(5) For standards for Height Measurement and Height Limit Exceptions, see Section 17.300.025.

Chapter 17.220 - COMMERCIAL ZONING DISTRICTS

Sections:

17.220.005 - Purpose

This Chapter provides development and land use regulations in the commercial zoning districts established by Section 17.200.010 (Zoning Districts Established).

17.220.010 - Purpose of Commercial Zoning Districts

The purpose of the individual commercial zoning districts and the manner in which they are applied are as follows.

A. **CN (Commercial Neighborhood) District.** The CN zoning district identifies areas appropriate for retail sales, offices, and services that will primarily serve the daily needs of nearby residents. This district may also accommodate mixed use and live/work developments. The development standards and permit requirements of the CN district are intended to create a pedestrian-oriented environment. The CN zoning district is consistent with the Neighborhood Serving Corridor land use designation of the General Plan.

B. **CG (Commercial General) District.** The CG zoning district identifies areas along major corridors appropriate for small to medium scale commercial uses, emphasizing community serving retail, office and service uses. This district may also accommodate mixed use and live/work developments. The CG zoning district is consistent with the General Corridor land use designation of the General Plan.

C. **CC (Commercial Community) District.** The CC zoning district identifies areas appropriate for a wide range of medium scale commercial uses, with an emphasis on community serving retail restaurant and service uses that may share parking, and serve a citywide or community market area. The CC zoning district is consistent with the Community Serving Center land use designation of the General Plan.

D. **CD (Commercial Downtown) District.** The CD zoning district is applied to the area identified by the General Plan as the Downtown area. The standards of this district are intended to encourage medium and large scale commercial uses, with an emphasis on retail, entertainment,

Tupper W. Lienke, MAI
Hampstead Appraisal Company
1101 S. Ridgeley Drive
Los Angeles, California 90019

Tel: 323-939-7200
Fax: 323-939-2318
e-mail: tupper.lienke@sbcglobal.net
Web site: www.hampreal.com

Certified General Real Estate Appraiser
California AG 001740

Member of the Appraisal Institute
Member Number: 11243

RESUME

PROPERTY TYPES APPRAISED: Office Buildings, Retail Centers, Industrial Properties, Multiple-Unit Apartments, Special Purpose Properties, Motels, Carwash/C-Stores, Residential Properties, and Vacant Land.

GEOGRAPHIC AREA OF PROFICIENCY AND EXPERIENCE: Los Angeles County

DATA SOURCES UTILIZED: CoStar Comps.Inc, CoStar Property, Metro Facts, Multiple Listing Service, Grubb & Ellis Market Data Surveys, CB Richard Ellis Surveys, First American Real Estate Solutions (public records), Black's Guide, Los Angeles Business Journal, and Marshall & Swift Valuation Service

EMPLOYMENT HISTORY:

5/84 - Present — **Hampstead Appraisal Company** – President/Principal Appraiser
Appraise office, retail, industrial, special purpose, residential, residential income, and vacant land properties for mortgage loans, asset management, casualty loss, and estate valuations.

5/84 - 5/85 — **California Property Appraisal Service** – Santa Monica
Fee Appraiser - Residential and residential income properties.

5/84 - 12/85 — **Wescoast Appraisal Service** – Woodland Hills
Fee Appraiser - Residential and residential income properties.

5/83 - 5/84 — **First Federal Bank of California** – Santa Monica
Appraiser and Appraisal Department Representative - Residential and residential income properties.

5/82 - 5/83 — **First Federal Bank of California** – Santa Monica
Operations Department.

PERSONAL INFORMATION: Birth date: May 9, 1950
Married. Two daughters, 16 yrs and 19 yrs

ATTACHMENT 4

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 Number: 4207-009-900, 902, 903

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the CULVER CITY REDEVELOPMENT AGENGY, hereby grant(s) to the ________________________, a _________, all that real property in Los Angeles, County of Los Angeles, State of California, as described in Exhibit "A" and shown on Exhibit "B" attached hereto and incorporated herein by reference.

"The grantee herein covenants by and for itself, its successors and assigns, and all person claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of sex, marital status, race, color, religion, creed, national origin, disability 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."

Dated this ____ day of ________________, 2006

CULVER CITY REDEVELOPMENT AGENCY

Dated ________________ By ______________________________

Susan Evans
Its Assistant Executive Director

EXHIBIT "A"

LEGAL DESCRIPTION

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

PARCEL 1:

ALL OF LOT 6 IN BLOCK 17 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGE 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THAT PORTION OF SAID LOT 6 BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF LOT 3 IN SAID BLOCK; THENCE SOUTHEASTERLY ALONG THE PROLONGED NORTHEASTERLY LINE OF SAID LOT 3 TO AN INTERSECTION WITH THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF LOT 18 IN SAID BLOCK; THENCE SOUTHWESTERLY ALONG SAID LAST MENTIONED PROLONGATION TO THE SOUTHWESTERLY LINE OF SAID LOT 6; THENCE NORTHWESTERLY AND NORTHEASTERLY ALONG THE BOUNDARY LINES OF LOT 6 TO THE POINT OF THE BEGINNING.

PARCEL 2:

LOT 1 IN BLOCK 17 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3:

LOT 2 IN BLOCK 17 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21, PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4207-009-900 and 4207-009-902 and 4207-009-903

EXHIBIT "B"

PROPERTY MAP

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ATTACHMENT 5

Culver City Redevelopment Agency
APN No. 4207-009-900, 902, & 903

AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS

Project: Culver City Redevelopment Agency–
Duquesne Lot

APN : 4207-009-900, 902, 903
9900 Culver Boulevard

Escrow No. 220963

This AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (the "**Agreement**") is made and entered into as of this **14th day of June, 2006** (the "**Effective Date**"), and constitutes an agreement by which CULVER CITY REDEVELOPMENT AGENCY, a public body, corporate and politic (the "**Seller**"), agrees to sell to UPTOWN LOFTS LLC, a California limited liability company (the "**Buyer**"), and Buyer agrees to purchase from Seller, on the terms and conditions hereinafter set forth, that certain real property described in Exhibit "A" and shown in Exhibit "B" attached hereto (the "**Property**"), including all improvements and all intangible property located on and/or pertaining to the realty located thereon.

The parties hereby agree to the following terms and conditions:

1. Escrow and Escrow Holder. First American Title Company (the "**Escrow Holder**") will act as the escrow holder for the transaction contemplated by this Agreement and the escrow to be opened in connection therewith (the "**Escrow**").

2. Property. Seller agrees to vacate the Property upon the close of the Escrow. Seller and Buyer agree that any and all personal property of Seller shall be removed from the Property by Seller prior to the close of Escrow. If any of Seller's personal property is not removed as provided herein, then Buyer may remove such personal property at Seller's expense, and retain, sell, transfer, or otherwise dispose of said personal property as Buyer sees fit in its sole and absolute discretion.

3. Purchase and Sale. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller agrees to sell the Property to Buyer in an "AS IS" condition and Buyer agrees to purchase the Property from Seller in an "AS IS" condition, upon the terms and conditions herein set forth, and subject to all of Seller's requirements, representations, warranties and covenants set forth in this Agreement.

4. Purchase Price. The purchase price for the Property shall be Two Million Five Hundred Thousand Dollars ($2,500,000.00) (the "**Purchase Price**"). The Purchase Price shall be paid as provided in paragraph 5 below, and shall constitute full payment for the Property.

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

a. Deposit. On the date that the Escrow is opened in accordance with paragraph 6.a. below, 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 sum of Seventy-Five Thousand Dollars ($75,000) (the "**Deposit**"), which shall be applied towards the Purchase Price upon the Close of Escrow, and at all times be fully refundable to Buyer, except as otherwise provided in paragraph 9.a.(5) below.

b. Closing Funds. One (1) business day prior to the Close of Escrow, 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, sufficient funds to pay the balance of the Purchase Price (after credit for the Deposit), plus or minus Escrow Holder's estimate of Buyer's closing costs, prorations and charges payable pursuant to this Agreement.

6. Escrow.

a. Opening of Escrow. For purposes of this Agreement, the Escrow shall be deemed opened on the date on which Escrow Holder shall have received (i) an executed counterpart of this Agreement from both Buyer and Seller, and (ii) the Deposit (the "**Opening Date**"). Buyer and Seller agree to cause the Escrow to be opened on or before June 27, 2006. Escrow Holder shall notify Buyer and Seller, in writing, of all pertinent dates for the Escrow including, without limitation, the Opening Date, the Approval Date (defined in paragraph 9.a.(5) below), and the Closing Date (defined in paragraph 6.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 "C" (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 no later than sixty (60) days after the Opening Date, unless extended in writing by the parties (the "**Closing Date**").

7. 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 (collectively the "**Approved Condition of Title**"):

a. A lien to secure payment of real estate taxes, not delinquent.

b. The lien of supplemental taxes assessed pursuant to Chapter 3.5, commencing with Section 75 of the California Revenue and Taxation Code (the "**Code**"), but only to the extent that such supplemental taxes relate to changes of ownership or new construction occurring on or after the Close of Escrow. Seller shall be responsible for, and hereby indemnifies Buyer and the Property against, any supplemental taxes assessed pursuant to the Code, to the extent such taxes relate to events (including, without limitation, any changes in ownership or new construction) occurring prior to the Close of Escrow.

c. Matters affecting the Approved Condition of Title created by or with the written consent of Buyer.

d. Exceptions which are disclosed by the Report (defined in paragraph 9.a.(1) below) and which are approved or deemed approved by Buyer in accordance with paragraph 9.a.(1) below.

Seller covenants and agrees during the term of this Escrow, Seller will not cause or permit title to the Property to differ from the Approved Condition of Title described in this paragraph 7. 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 written approval, and must be eliminated or ameliorated to Buyer's written satisfaction by Seller prior to the Close of Escrow as a condition to the Close of Escrow for Buyer's benefit.

8. Title Policy. Title shall be evidenced by the willingness of the Title Company (defined in paragraph 9.a.(1)) to issue an ALTA Extended Coverage Owner's Form Policy of Title Insurance (Form 1970B) (the "**Title Policy**") with coverage in the amount of the Purchase Price, and showing title to the Property vested in Buyer subject only to the Approved Condition of Title.

9. 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 sole benefit on or prior to the dates designated below for the satisfaction of such conditions:

(1) Title. Buyer shall have approved the legal descriptions of the Property attached hereto as Exhibit "A" and any matters of title as disclosed by the following documents (collectively the "**Title Documents**"), which shall be delivered to Buyer: (i) standard preliminary title report (the "**Report**") dated on or after the Effective Date, and issued by First American Title Insurance Company – Glendale (the "**Title Company**") with respect to the Property; (ii) an ALTA "extended coverage" supplemental title report (the "**ALTA Report**") dated on or after the Effective Date of this Agreement issued by the Title Company with respect to the Property; (iii) legible copies of all documents, whether recorded or unrecorded, referred to in the Report, the ALTA Report or the Property Survey; (iv) any surveys of the Property in Seller's possession or control (each a "**Property Survey**"), and (v) coded maps plotting all easements disclosed by the Report, the ALTA Report or any Property Survey. Seller shall cause the Title Company to deliver the Title Documents to Buyer within five (5) days after the Effective Date. Buyer shall have until thirty (30) days after the Opening Date (the "**Approval Date**") to give Seller and Escrow Holder written notice (the "**Buyer's Title Notice**") of Buyer's approval or conditional approval of any matters shown in the Title Documents. Failure of Buyer to give Buyer's Title Notice on or before the Approval Date shall be deemed to constitute Buyer's disapproval of all Title Documents. If Buyer disapproves, is deemed to have disapproved, or conditionally approves any matters of title shown in the Title Documents, then Seller may, within five (5) days after the earlier to occur of (a) Seller's receipt of the Buyer's Title Notice, or (b) the Approval Date, elect to eliminate or ameliorate to Buyer's satisfaction the disapproved or conditionally approved title matters. Seller shall, within such five (5) day period, give Buyer written notice (the "**Seller's Title Notice**") of those disapproved or conditionally approved title matters, if any, which Seller covenants and agrees to either eliminate from the Title Policy as exceptions to title to the Property or to ameliorate to Buyer's satisfaction by the Closing Date as a condition to the Close of Escrow for Buyer's benefit. If Seller does not elect to eliminate or ameliorate to Buyer's satisfaction any disapproved or conditionally approved title matters, or if Buyer disapproves of Seller's Title Notice, or if, despite its best efforts, Seller is unable to eliminate or ameliorate to Buyer's satisfaction all such disapproved matters prior to the Closing Date, then Buyer shall have the right, exercisable in its sole discretion by delivering written notice to Seller and Escrow Holder: (i) waive its prior disapproval (or deemed disapproval), in which event the disapproved (or deemed disapproved) matters shall be deemed approved; or (ii) terminate this Agreement and the Escrow created pursuant thereto, in which event Buyer shall be entitled to the return of all monies previously deposited with Escrow Holder pursuant to this Agreement (including, without limitation the Deposit). Notwithstanding anything to the contrary contained in this paragraph, Buyer hereby objects to all liens evidencing monetary encumbrances (other than liens for non-delinquent property taxes) and Seller agrees to cause all such liens to be eliminated at Seller's sole cost and expense (including all prepayment penalties and charges) prior to the Closing Date.

(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 paragraph 16 below shall be true and correct as of the Effective Date and as of the Closing Date.

(3) No Material Changes. At the Closing Date, there shall have been no material adverse changes in the physical or financial condition of the Property and there shall have been no material adverse change in the financial condition of Seller.

(4) Inspections and Studies. On or before the Approval Date, Buyer shall have provided Seller with written notice (the "**Buyer's Approval Notice**") of Buyer's approval of the results of any and all inspections, investigations, tests and studies (including, without limitation, investigations with regard to zoning, building codes and other governmental regulations, architectural inspections, engineering tests, economic feasibility studies and soils, seismic and geologic reports) (hereinafter "**Tests**") with respect to the Property as Buyer may elect to make or obtain. The failure of Buyer to provide Seller with a Buyer's Approval Notice on or prior to the Approval Date, shall be deemed to constitute Buyer's disapproval of the results of such Tests, in which event Buyer may terminate this Agreement and Escrow Holder shall return to Buyer the Deposit and all other funds and documents deposited into the Escrow by Buyer. The cost of any such inspections, tests and studies shall be borne by Buyer. During the term of this Escrow, Buyer, its agents, contractors and subcontractors shall have the right to enter upon the Property, at reasonable times during ordinary business hours (or at other times upon Buyer's reasonable request), to make any and all inspections and tests as may be necessary or desirable in Buyer's sole judgment and discretion. Buyer shall use care and consideration in connection with any of its inspections. Buyer shall indemnify and hold Seller and the Property harmless from any and all damage arising out of, or resulting from the negligence of Buyer, its agents, contractors and/or subcontractors in connection with such entry or activities upon the Property.

(5) Approval Date and Deposit. In the event Buyer delivers the Buyer's Title Notice and the Buyer's Approval Notice to Seller on or before the Approval Date in accordance with paragraphs 9.a.(1) and 9.a.(4), respectively, then Buyer's Deposit shall thereafter be deemed non-refundable (except in the event the Escrow does not close as a result of a breach of Seller's obligations under this Agreement or any failure of a condition to closing), and be applied towards the Purchase Price upon the Close of Escrow in accordance with paragraph 5 of this Agreement. In the event Buyer fails to deliver either the Buyer's Title Notice or the Buyer's Approval Notice on or before the Approval Date, then the Agreement shall immediately terminate, whereafter Escrow Holder shall return to Buyer the Deposit and all other funds and documents deposited into the Escrow by Buyer

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, and

(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.

10. Deposits by Seller. At least three (3) business day prior to the Close of Escrow, Seller shall deposit or cause to be deposited with Escrow Holder (i) the Grant Deed conveying the Property to Buyer, duly executed by Seller, acknowledged and in recordable form, substantially similar to Exhibit "C", and (ii) all other documents reasonably requested by Escrow Holder to close the Escrow.

11. 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 paragraph 5 above (as reduced by the prorations and credits hereinafter provided).

12. Costs and Expenses. The cost and expense of the Title Policy attributable to CLTA coverage, shall be paid by Seller. Buyer shall pay for the premium for the ALTA portion of the Title Policy and the cost attributable to any title endorsements reasonably requested by Buyer. The escrow fee of Escrow Holder shall be paid half by Buyer and half by Seller. Seller shall pay the documentary transfer tax, 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.

13. Prorations: Buyer and Seller acknowledge and agree that Seller is a governmental public body that is not responsible for payment of real property taxes in connection with Property. Nevertheless, the following provisions shall apply with respect to any such taxes in connection with Buyer's obligations to pay property taxes after the Close of Escrow:

a. Seller shall be charged and pay for any unpaid delinquent taxes and any penalties and interest thereon, and for any delinquent or non-delinquent assessments or bonds against the Property applicable to events that occur prior to the Closing Date;

b. Any supplemental taxes levied on the Property prior to and including up to the Closing Date of this Escrow shall be the obligation of Seller to pay, outside of Escrow, upon receipt of such statement, if any, from the County Assessor's Office after close of Escrow.

14. Taxes. Real and personal property taxes and assessments on the Property shall be prorated on the basis Seller is responsible for (i) all such applicable real and personal taxes for

the fiscal year of the applicable taxing authorities occurring prior to the "Current Tax Period," and (ii) that portion of such taxes for the Current Tax Period determined on the basis of the number of days which have elapsed from the first day of the Current Tax Period to the Closing Date, inclusive, whether or not the same shall be payable prior to the Closing Date. The phrase "Current Tax Period" refers to the fiscal year of the applicable taxing authority in which the Closing Date occurs. If as of the Closing Date the actual tax bills for the year or years in question are not available, and the amount of taxes to be prorated as aforesaid cannot be ascertained, then rates and assessed valuation of the previous year, with known changes, shall be used, and when the actual amount of taxes and assessments for the year or years in question shall be determinable, then such taxes and assessments will be reprorated between the parties to reflect the actual amount of such taxes and assessments.

15. 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 closing statements to be prepared by Escrow Holder and signed by the parties prior to the Close of Escrow.

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. 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 Buyer's funds toward payment of all items chargeable to Buyer, and thereafter, disburse the balance of such funds, if any, to Buyer.

d. Documents to Buyer. If applicable, deliver a Bill of Sale, if any, executed by Seller, and, when issued, the Title Policy to Buyer.

16. 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 the following representations and warranties, which shall be true as of the Effective Date and as of the Closing Date, and each of which is material and is being relied upon 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.

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. Third Party Consents. No consents or waivers of, or by, any third party are necessary to permit the consummation by Seller of the transactions contemplated pursuant to this Agreement.

d. No Violation of Law. To the best of Seller's knowledge, there is no violation of law or governmental regulation by Seller with respect to the Property.

e. Condemnation. There are no pending, or, to the best of Seller's knowledge, threatened proceedings in eminent domain or otherwise, which would affect the Property or any portion thereof.

f. Compliance with Law. To the best of Seller's knowledge, all laws, ordinances, rules, and requirements and regulations of every governmental agency, body, or subdivision thereof bearing on the Property have been complied with by Seller.

g. Agreements. There are no agreements (whether oral or written) affecting or relating to the right of any party with respect to the possession of the Property, or any portion thereof, which are obligations which will affect the Property or any portion thereof subsequent to the recordation of the Grant Deed, except as may be reflected in the Condition of Title, which shall have been approved by Buyer pursuant to the terms of this Agreement.

h. Documents. To the best of Seller's knowledge, all documents delivered to Buyer pursuant to this Agreement are true and correct copies of originals, and any and all information supplied to Buyer by Seller in accordance with paragraphs 9.a.(1) and (2) hereof is true, accurate and complete.

i. Maintenance Contracts. There are no maintenance, service, or similar agreements (whether oral or written) affecting or relating to the Property.

j. Hazardous Substances. Seller has no knowledge that there are hazardous substances (as defined below) in existence on or below the surface of the Property, 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 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

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relating to the foregoing provisions of this paragraph, and provide access to the Property for Buyer to conduct, at 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 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 statue 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.

k. <u>Pollutants</u>. No pollutants or waste materials from the Property have ever been discharged by Seller into any body of water, and Seller has no actual knowledge of any such pollution emission by any other person or entity.

l. <u>Waste Disposal</u>. No portion of the Property has ever been used by Seller as a waste storage or disposal site, and Seller is not aware of any such prior uses.

m. <u>No Notices</u>. Seller is not aware of any change contemplated in any applicable laws, ordinances or restrictions, or any judicial or administrative action, or any action by adjacent landowners, or natural or artificial conditions upon the Property which would prevent, impede, limit, or render more costly Buyer's contemplated use of the Property.

17. 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 to Buyer's knowledge are, or at the Close of Escrow will be legal, valid, and binding obligations of Buyer, and to Buyer's knowledge 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.

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, Buyer or Seller may, at its 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, delivered, or sent by telex, or telecopy, and shall be deemed received upon the earlier of (a) if personally delivered or delivered by nationally recognized courier services, 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 telex or facsimile, when sent upon receipt of a printed confirmation slip. 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 as follows:

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

With copy to:
Kane, Ballmer & Berkman
Attn: Murray Kane
515 S. Figueroa Street, Suite 1850
Los Angeles, CA 90071
Facsimile: (213) 625-0931
Telephone: (213) 617-0480

To Buyer:

Uptown Lofts LLC
Attn: Judit Meda Fekete and Joseph Miller
8609 Washington Boulevard
Culver City, CA 90232
Facsimile: (310) 558-0904
Telephone: (310) 916-7504

With copy to:
Christensen, Glaser, Fink, Jacobs, Weil & Shapiro, LLP
Attn: Saul Breskal, Esq.
10250 Constellation Boulevard, 19th Floor
Los Angeles, 90067
Facsimile: (310) 556-2920
Telephone: (310) 553-3000

Notice of change of address shall be given by written notice in the manner detailed in this paragraph.

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 arbitration award, shall be entitled to have and recover from the other party all costs and expenses of suit, including reasonable attorney's fees and costs.

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.

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.

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.

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. The Exhibits 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 16. 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.

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.

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 6/22/06

By Susan Evans
Susan Evans, Assistant Executive Director

"Buyer"
UPTOWN LOFTS LLC,
A California limited liability company

Dated: 6/22/2006

By:
Judit Meda Fekete
Its: Managing Member

Dated: 6-21-06

By:
Joseph Miller
Its: Managing Member

[signatures continued on following page]

APPROVED AS TO FORM:

KANE, BALLMER & BERKMAN
General Counsel for Seller

By: Murray Kane

Murray Kane, Esq.
General Counsel for Culver City
Redevelopment Agency

Acceptance by Escrow Holder:

First American Title Ins. Company 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: 6/28/06

220963 ESCROW

By: for Anna Monez
Anna Monez
Its Sr. Escrow Officer

464612.5

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Culver City Redevelopment Agency
APN No. 4207-009-900, 902, & 903

EXHIBIT "A"

LEGAL DESCRIPTION

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

PARCEL 1:

ALL OF LOT 6 IN BLOCK 17 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGE 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THAT PORTION OF SAID LOT 6 BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF LOT 3 IN SAID BLOCK; THENCE SOUTHEASTERLY ALONG THE PROLONGED NORTHEASTERLY LINE OF SAID LOT 3 TO AN INTERSECTION WITH THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF LOT 18 IN SAID BLOCK; THENCE SOUTHWESTERLY ALONG SAID LAST MENTIONED PROLONGATION TO THE SOUTHWESTERLY LINE OF SAID LOT 6; THENCE NORTHWESTERLY AND NORTHEASTERLY ALONG THE BOUNDARY LINES OF LOT 6 TO THE POINT OF THE BEGINNING.

PARCEL 2:

LOT 1 IN BLOCK 17 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3:

LOT 2 IN BLOCK 17 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21, PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4207-009-900 and 4207-009-902 and 4207-009-903

Culver City Redevelopment Agency
APN No. 4207-009-900, 902, & 903

EXHIBIT "B"

PROPERTY MAP

EXHIBIT C

GRANT DEED
(Attached)

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ATTACHMENT 6

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9900 Culver Boulevard
Revenue Analysis

SALES TAX

				1	2	3	4	5	6	7	8	9	10
			2007- 08	2007 - 08	2008 - 09	2009 - 10	2010 - 11	2011 - 12	2012 - 13	2013 - 14	2014 - 15	2015 - 16	2016 - 17
	Sq.FT	Retail Sales/Sq.ft	Gross	Tax* %1									
9900 Culver	4750	200**	$950,000	$9,500	$9,785	$10,079	$10,381	$10,692	$11,013	$11,343	$11,684	$12,034	$12,395

* Sales tax is assumed to increase by a 3% annual growth factor

**$200 per sq.ft was factored from general sales per square foot data reviewed in Dollars and Cents of Shopping Centers

BUSINESS LICENSE TAX

				1	2	3	4	5	6	7	8	9	10
			2007- 08	2007 - 08	2008 - 09	2009 - 10	2010 - 11	2011 - 12	2012 - 13	2013 - 14	2014 - 15	2015 - 16	2016 - 17
	Sq.FT	Retail Sales/Sq.ft	Gross	Gross Receipts Tax*** %.1	*								
9900 Culver	4750	200**	$950,000	$950	$979	$1,008	$1,038	$1,069	$1,101	$1,134	$1,168	$1,203	$1,240

* The current business tax revenue as reported by City in FY 2006-07, is assumed to increase by a 3% annual growth factor

**$200 per sq.ft was factored from general sales per square foot data reviewed in Dollars and Cents of Shopping Centers

*** Culver City levies a business tax that is generally based on $1 per $1000 gross receipts generated by businesses operating within the City

RETAIL UTILITY USER'S TAX

				1	2	3	4	5	6	7	8	9	10
			2007- 08	2007 - 08	2008 - 09	2009 - 10	2010 - 11	2011 - 12	2012 - 13	2013 - 14	2014 - 15	2015 - 16	2016 - 17
	Sq.FT	Utilites per/Sq.ft	Utilities at $2.00	Utility User Tax* %11	***								
9900 Culver	4750	$2.00**	$9,500	$1,045	$1,071	$1,103	$1,136	$1,170	$1,206	$1,242	$1,279	$1,317	$1,357

* Culver City levies an 11% on utility usage

**Absent information pertaining to a specific new business that would occupy the identified new development, generic utility costs per square foot were applied: $2 per square foot of retail

*** The current utility user tax reported by the City in FY 2006-07 has been escalated by 2.5% annual growth factor

J. Christopher Evans
4/13/2007

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9900 Culver Boulevard
Revenue Analysis

RESIDENTIAL UTILITY USER'S TAX													
				1	2	3	4	5	6	7	8	9	10
			2007- 08	2007 - 08	2008 - 09	2009 - 10	2010 - 11	2011 - 12	2012 - 13	2013 - 14	2014 - 15	2015 - 16	2016 - 17
	DU	Utilities per DU	Utilities at $760**	Utility User Tax* %11	***								
9900 Culver	23	$760	$17,480	$1,923	$1,971	$2,030	$2,091	$2,154	$2,218	$2,285	$2,353	$2,424	$2,497

* Culver City levies an 11% on utility usage

**The City reported FY 2006-07 UUT revnue of $13,380,000 and divided this by the 40,500 reported residents in the City. Assuming 2.3 residents per houshold the utility usage would be at $760 per dwelling unit

*** The current utility user tax reported by the City in FY 2006-07 has been escalated by 2.5% annual growth factor

PROPERT TAX to GENERAL FUND													
				1	2	3	4	5	6	7	8	9	10
				2007 - 08	2008 -09	2009 - 10	2010 - 11	2011 - 12	2012 - 13	2013 - 14	2014 - 15	2015 - 16	2016 - 17
		Base Year Value	Property Tax at 1%	10.45% to General Fund*									
9900 Culver		$323,613	$3,236	$338	$338	$338	$338	$338	$338	$338	$338	$338	$338

* The Culver City General Fund receives 10.45% of every dollar collected in property tax

TOTAL TAX to GENERAL FUND *

	1	2	3	4	5	6	7	8	9	10
	2007 - 08	2008 -09	2009 - 10	2010 - 11	2011 - 12	2012 - 13	2013 - 14	2014 - 15	2015 - 16	2016 - 17
TOTAL	**$13,756**	**$14,143**	**$14,558**	**$14,984**	**$15,424**	**$15,876**	**$16,342**	**$16,822**	**$17,317**	**$17,826**

* This is the total of all sales tax, business license tax, retail utility user tax residential utility user tax and property tax that will be collected by Culver City

J. Christopher Evans
4/13/2007

ATTACHMENT 7

9900 Culver Blvd.
Duquesne Parking Lot across from Post Office
Projected Tax Increment
Based on planned developer use as of July 2007

Component Area 3 Washington-Culver

Base year FY 75/76	
Component Area base levy	1,676,322
Base Year Assessed Value	167,632,200
FY 06/07 Assessed Value (AV)	1,284,738,339
% of Base Year to FY0 06/07 AV	13.0%

			Sq Ft	Price per SF	Total per Unit	Units	Projected Value	Total Net Sq Ft
Projected value per RDA staff								
Residential Condominiums	18,400,000	Residential	1,600	500	800,000	23	18,400,000	36,800
Retail bookstore/coffee shop	2,375,000	Commercial	4,750	500	2,375,000	1	2,375,000	4,750
	20,775,000	Total					20,775,000	41,550

Memo: Agency Sale Price 10/20/2006
APNs 4207-009-900,902, &903* 2,480,183

Estimated base year value 323,613 13.0% of sales price

	Fiscal year	Projected Property Value	Base Year Value	Incremental Value	Gross Tax Increment	Less: County Admin and Pass-through Expenses**	Net Tax Increment	City Direct Rate***	Total Agency and City Property Taxes
					1.00%	0.237%	0.763%	0.1045%	
1	FY 07/08	2,480,183	323,613	2,156,570	21,566	5,111	16,455	338	16,793
2	FY 08/09	20,775,000	323,613	20,451,387	204,514	48,470	156,044	338	156,382
3	FY 09/10	21,190,500	323,613	20,866,887	208,669	49,455	159,214	338	159,553
4	FY 10/11	21,614,310	323,613	21,290,697	212,907	50,459	162,448	338	162,786
5	FY 11/12	22,046,596	323,613	21,722,983	217,230	51,483	165,746	338	166,085
6	FY 12/13	22,487,528	323,613	22,163,915	221,639	52,528	169,111	338	169,449
7	FY 13/14	22,937,279	323,613	22,613,665	226,137	53,594	172,542	338	172,880
8	FY 14/15	23,396,024	323,613	23,072,411	230,724	54,682	176,042	338	176,381
9	FY 15/16	23,863,945	323,613	23,540,331	235,403	55,791	179,613	338	179,951
10	FY 16/17	24,341,224	323,613	24,017,610	240,176	56,922	183,254	338	183,593
10 Year Total		20,513,259	323,613	20,189,645	2,018,965	478,495	1,540,470	3,382	1,543,852

Sources: Los Angeles County Tax Remittance Advices 6/30/07; developer and RDA staff assumptions; and estimated increase in annual property values of 2% given effect of annual price appreciation (e.g. 3%), normal residential holding period (5-7 years) and Prop.13 assessed value cap of 1%.

Assumes no further contributions to Education Revenue Augmentation Fund that ended FY 05/06.
Assumes completion in FY08/09. FY07/08 value based on 10/20/06 sales price.

* Agency purchased from City of Culver City per Grant Deed recorded 2/26/2001 for $1,260,000 and sold to developer Uptown Lofts LLC 10/20/06 for $2,480,183 per escrow statements and City financial records

*** Current city direct rate muliplied by base year value

** Per FY 06/07 tax remittance records for Merged Component Areas:

County Admin Charge	1.53%
County AB 1290 Charge	3.25%
Total Admin Expenses	4.78%
Housing Set-Aside	21.42%
Less Housing Bond Debt Service	-2.70%
Total Set-Aside for Housing	18.72%
Cities Fee	0.14%
College District	0.03%
Special Districts	0.06%
Other Pass-Throughs	0.20%
Total Admin and Pass-Throughs	23.70%

MC: C:\Documents and Settings\sol.blumenfeld\Local Settings\Temporary Internet Files\OLK517\[9900 Culver Blvd Tax Increment Analysis July 07 .xls]Sheet1