

MEETING DATE

03/27/06

AGENDA ITEM

Consideration of the Sale of 8511 Warner Drive to
Conjunctive Points Warner Development, LLLP

ATTACHMENTS

		<u>Pages</u>
1	Public Notice mailed March 13, 2006	1
2	Purchase and Sale Agreement By and Among The City of Culver City And Conjunctive Points Warner Development, LLLP	2-109



For more information

John Fisanotti Project Manager
310 253 5767

**NOTIFICATION OF AGENDA ITEM
AT A FUTURE
CITY COUNCIL MEETING**

On March 27 2006 the Culver City City Council will discuss the following item

'Consideration of the Sale of 8511 Warner Drive (i e the Warner Parking Lot) to Conjunctive Points Warner Development LLLP

Time 7 00 PM

**Location
Culver City City Hall
Mike Balkman Council Chambers
9770 Culver Boulevard
Culver City, CA 90232**

City Council/Agency meetings can be viewed live on Channel 35 by most Comcast subscribers

Visit the Culver City Website at www.culvercity.org or send your questions or comments on this item to john.fisanotti@culvercity.org To view the meeting on line please visit <http://www.culvercity.org/webcast>

To add your name to the City s email list to receive agenda reports and news of City issues please call (310) 253 6000 or complete an on line request at http://www.culvercity.org/city.gov/public_notification.html

ATTACHMENT NO 2

PURCHASE AND SALE AGREEMENT

By and Among

The City of Culver City

and

Conjunctive Points Warner Development, LLLP

THIS PURCHASE AGREEMENT FOR REAL PROPERTY (ESCROW INSTRUCTIONS) ("Agreement") is entered into on March _____ 2006 by and between the CITY OF CULVER CITY, a municipal corporation (hereinafter called "City"), and CONJUNCTIVE POINTS WARNER DEVELOPMENT, LLLP, a Delaware limited liability limited partnership (hereinafter called "Buyer") for the purchase by Buyer of certain real property as hereinafter set forth

RECITALS

A City is the owner of real property located at 8511 Warner Drive, Culver City, California 90232 (legally described in Exhibit "A" attached hereto) (the "Property") Property shall not include City's title and interest in that certain portion of the Property encumbered by the Metropolitan Transportation Authority easement ("Railroad Easement Area") abutting the Property

B The Property is currently used as surface parking and provides two hundred and forty-two (242) parking spaces ("Public Parking Spaces") for the occupants businesses, property owners and customers in the Hayden Tract (the "Public Users), and the Willows Community School

C City desires to sell and Buyer desires to buy the Property excluding the Railroad Easement Area

D Sale of the Property will be subject to the covenants running with the Property evidenced by Public Parking Covenants Affecting Real Property ('Public Parking Covenants") to be entered into by City and Buyer at the Close of Escrow in form and substance consistent with Exhibit "B" attached hereto and incorporated herein by this reference

E Presently the Property is encumbered by the Warner Drive Parking Lot Lease Agreement entered into by and among the City and the Willows Community School, dated September 2, 1997 ('Willows Parking Lease") City will terminate the Willows Parking Lease since it is in the best public interest for the City to sell the Property to Buyer, subject to the Public Parking Covenants

F Buyer has been informed that the Property is within close proximity to an Alquist-Priolo Seismic Hazardous Zone and subject to soil engineer testing prior to development

I SUBJECT OF THIS AGREEMENT

A Purpose of this Agreement This Agreement provides for the sale of the Property The sale of the Property pursuant to this Agreement, and the fulfillment generally of this Agreement, are in the vital and best interests of the City and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of applicable federal state and local laws and requirements

B The Property The Property consists of approximately 75,920 square feet currently used as a public parking lot with approximately two hundred and forty two (242) public parking spaces ("Public Parking Spaces"), not including the Railroad Easement Area

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D Parties to this Agreement

1 City

City is a municipal corporation. The principal office of the City is located at Culver City Hall, 9770 Culver Blvd, Culver City, California 90232-0507.

"City" as used in this Agreement, includes City, and any assignee of or successor to the rights, powers and responsibilities of City.

2 Buyer

Buyer is Conjunctive Points Warner Development, LLLP, a Delaware limited liability limited partnership. The general partner of Buyer is Conjunctive Points Warner Development, Inc., a California corporation, which is solely owned by Laurie M. Smith and Frederick N. Smith (the "General Partner").

The principal offices of Buyer are located at 3528 Hayden Avenue, Culver City, CA 90232.

Wherever the term "Buyer" is used herein, such term shall also include any permitted nominee, assignee or successor-in-interest. All rights and obligations pursuant to this Agreement shall be joint and several liabilities as to Buyer.

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G Prohibition against Change in Ownership, Management and Control of Buyer. Buyer represents and agrees its acceptance of conveyance of the Property and its other undertakings pursuant to this Agreement are and will be used for the purpose of redevelopment and/or continued use of the Property as surface parking and not for speculation in land holding. Buyer further recognizes, in view of

- 1 the importance of the redevelopment and/or continued use of the Property as surface parking to the general welfare of the community subject to the terms of this Agreement, and
- 2 the fact that a substantial change in beneficial ownership or a change in control of Buyer, or any other act or transaction involving or resulting in a significant change in beneficial ownership or with respect to the identity of the parties in control of Buyer or the degrees thereof, is for practical purposes

a transfer or disposition of the Property subject to the terms of this Agreement

The qualifications and identity of Buyer, and its principals, are of particular concern to the community and City. Buyer further recognizes it is because of such qualifications and identity City is entering into this Agreement with Buyer. No voluntary or involuntary successor in interest of Buyer shall acquire any rights or powers under this Agreement except as expressly set forth herein.

Prior to the Restricted Period (as defined below) Buyer shall not assign all or any part of this Agreement without the prior written approval of City. Except as otherwise permitted, in the event of a permitted assignment, successors in interest will be required to sign an acknowledgement agreeing to be bound by all the terms and conditions of this Agreement and all documents related to this Agreement prior to the transfer of the rights and obligations hereunder becoming effective. Nothing herein shall preclude Buyer from obtaining a loan to takeout and otherwise pay the Purchase Price Balance and all interest and predevelopment costs related thereto. The term "Restricted Period" as used herein shall mean the date which is ten years (10) after the Close of Escrow.

For the reasons cited above, Buyer represents and agrees for itself, and any successor in interest of itself, that without the prior written approval of City, which shall not be unreasonably delayed or withheld, there shall be no "Significant Change" in the ownership of the Buyer, or with respect to the identity of the parties in control of the Buyer, by any method or means. For purposes of this Agreement, a "Significant Change" in ownership of the Buyer means (a) a change in ownership of more than forty-nine percent (49%) or more of the equity interests in the Buyer, or (b) any change in the ownership of the equity interests in the Buyer no matter how small, if the result thereof is a change in control of the Buyer. Following the Close of Escrow, nothing in this Section G precludes the transfer of the ownership interests in Buyer and its General Partner to an inter vivos living trust.

Notwithstanding the foregoing, City acknowledges that Buyer may desire to obtain equity participation to assist in financing its activities under this Agreement. The City (by its Chief Administrative Officer (the "CAO"), or his designee) hereby agrees to approve the inclusion of such equity participation in Buyer, whether by additional owners in Buyer entity, assignment of this Agreement to a new entity of which the equity participant is a part, or similar mechanism, provided that the CAO (or his designee) determines that (1) Buyer or an Affiliate retains the controlling ownership and management position in the changed entity, (2) the changed entity is at least comparable in all material respects (experience, character and financial capability) to Buyer before the change, and (3) the change is otherwise consistent with terms and purposes of this Agreement. The documents implementing any such change shall be satisfactory and subject to the prior written approval of the CAO (or his designee) which shall not be unreasonably delayed or withheld.

Buyer shall promptly notify City of any and all changes whatsoever in the identity of the parties in control of Buyer or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. Prior to the Close of Escrow this Agreement may be

terminated by City if there is any significant change (voluntary or involuntary) in membership or control of Buyer (other than such changes occasioned by the death or incapacity of any individual)

The restrictions of this Subsection G shall terminate upon the expiration of the Restricted Period or the death of either Frederick N Smith or Laurie M Smith

The prohibition against transfer set forth in this subsection G of Section I shall be secured by the Restrictions Deed of Trust In the event Buyer obtains a Construction Loan, City will subordinate its rights under the Restrictions Deed of Trust to the Lender's deed of Trust for the Construction Loan, provided the Promissory Note has been paid off and the proceeds of the Construction Loan are used for the development of the Property In the event Buyer obtains the Permanent Loan, City shall subordinate its rights under the Restrictions Deed of Trust to the Lender's deed of trust for the Permanent Loan In the event of a Take Out Loan as permitted by Subsection G of Section V, City shall subordinate its rights under the Restrictions Deed of Trust to the Lender's deed of Trust to the Take Out Loan

II AGREEMENT TO SELL AND PURCHASE

In accordance with, subject to and conditioned on all terms, covenants, and conditions of this Agreement, City agrees to sell the Property to the Buyer and the Buyer agrees to acquire the Property from City for the consideration set forth herein, subject to the Public Parking Covenants

A Purchase Price Buyer's purchase price for the Property shall be FIVE MILLION FOUR HUNDRED FIFTY SEVEN THOUSAND SIX HUNDRED DOLLARS (\$5,457,600 00) (the "Purchase Price") The Buyer shall pay the Purchase Price to the City at the time and in the manner and form set forth herein

B Payment of the Purchase Price

1 Payment of Cash Portion of Purchase Price

Buyer shall pay fifty percent (50%) of the Purchase Price which shall amount to TWO MILLION SEVEN HUNDRED TWENTY-EIGHT THOUSAND EIGHT HUNDRED DOLLARS (\$2,728,800 00) in cash at the Close of Escrow (the "Cash Portion of Purchase Price")

2 Payment of Balance of Purchase Price

Payment of the remaining fifty (50%) percent of the Purchase Price (\$2,728,800 00) shall be made at the Close of Escrow in the form of a Promissory Note in favor of the City in the amount of TWO MILLION SEVEN HUNDRED TWENTY EIGHT THOUSAND AND EIGHT HUNDRED DOLLARS (\$2,728,800 00), payable by Buyer twenty-four (24) months after the Close of Escrow (the "Purchase Price Balance") Unpaid principal under the Promissory Note shall accrue simple interest at the rate of eight percent (8%) per annum The Promissory Note shall conform in form and substance to the form attached hereto as Exhibit "C" which is incorporated herein by this reference

The Promissory Note evidencing Buyer's obligation to pay the Purchase Price Balance shall be secured by a First Deed of Trust on the Property executed by Buyer for the benefit of the City conforming in form and substance to the form attached hereto as Exhibit "D" which is incorporated herein by this reference. The Promissory Note shall be executed by Buyer and delivered to City at the Close of Escrow, the First Deed of Trust shall be recorded against the Property concurrently with the Close of Escrow.

III CONVEYANCE ESCROW

A Transfer of Property In accordance with and subject to all the terms, covenants and conditions of this Agreement, City agrees to convey Property to Buyer, and Buyer agrees to accept Property from City subject to the Public Parking Covenants.

B Escrow City agrees to open an escrow in accordance with this Agreement at United Title Company Attention Diane Greer (the "Escrow Agent"). This Agreement constitutes the joint escrow instructions of City and Buyer with respect to the sale of the Property, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of escrow.

City and Buyer shall provide such additional escrow instructions as shall be necessary and consistent with this Agreement. The Escrow Agent is hereby empowered to act under such instructions, and upon indicating its acceptance thereof in writing, delivered to City and Buyer within five (5) days after the opening of the escrow shall carry out the duties as Escrow Agent hereunder.

Upon delivery to the Escrow Agent by City of the Property referred to herein in Subsection E of this Section, the Escrow Agent shall record the Grant Deed in accordance with these escrow instructions, provided, that the title to the Property can be vested in Buyer in accordance with the terms and provisions of this Agreement. Buyer agrees to deposit the Cash Portion of the Purchase Price, the Promissory Note, the First Deed of Trust, Restrictions Deed of Trust conforming in form and substance with Exhibit "F" attached hereto and incorporated herein by this reference, executed Public Parking Covenants and all closing costs upon demand of Escrow Agent, no later than seventy-five (75) days after the execution of this Agreement. Buyer and City agree to deposit with Escrow Agent any additional instruments as may be necessary to complete this transaction. The Escrow Agent shall buy, affix and cancel any transfer stamps required by applicable law and pay any transfer tax required by law. Any insurance policies governing the Property are not to be transferred and City will cancel any policies at Close of Escrow.

All funds received in this escrow shall be deposited with other escrow funds in an interest bearing escrow account. All disbursements shall be made by check from such account.

Buyer shall be responsible for payment of all property taxes, commencing as of the Close of Escrow.

Buyer shall pay in escrow to the Escrow Agent, the following fees charges and costs promptly after the Escrow Agent has notified Buyer of the amount of such fees charges and costs, at least one (1) business day before the Close of Escrow, and not earlier than ten (10) days prior to the schedule date for the Close of Escrow for the Property

- 1 All escrow fees and
- 2 The cost of the title insurance policy issued to Buyer in the full amount designated by Buyer pursuant to Subsection (I) below, and
- 3 Intentionally Left Blank
- 4 Cost of drawing the Grant Deed, and
- 5 Recording fees, and
- 6 Notary fees, and
- 7 Any state, county, city or other documentary stamps and transfer taxes

Provided all conditions precedent are met, City shall timely and properly execute acknowledge and deliver the Grant Deed, conforming in form and substance to Exhibit 'E', conveying title to the Property to Buyer in accordance with the requirements of Subsection (F) of this Section, together with an estoppel certificate certifying that Buyer has completed all acts necessary to entitle Buyer to such conveyance if such be the fact

The Escrow agent is authorized to

- 1 Pay, and charge Buyer, for any fees, charges and costs payable under this Subsection (B) of this Agreement Before such payments are made, the Escrow Agent shall notify Buyer of the fees charges and costs necessary to clear title and close the escrow
- 2 Disburse funds and deliver the Grant Deed, and other documents to the parties entitled thereto when the conditions of this escrow have been fulfilled by City and Buyer
- 3 Record any instruments delivered through this escrow if necessary or proper to vest title in Buyer in accordance with the terms and provisions of the escrow instructions portion of this Agreement

All funds received in this escrow shall be deposited by the Escrow Agent with other escrow funds of the Escrow Agent in a general escrow account or accounts with any state or national bank

doing business in the State of California. Such funds may be transferred to any other such general escrow account or accounts.

TIME IS OF THE ESSENCE AND ESCROW IS TO CLOSE AS SOON AS POSSIBLE BUT NO LATER THAN SEVENTY-FIVE (75) DAYS AFTER THE EXECUTION OF THIS AGREEMENT ("Close of Escrow"). Buyer shall have sixty (60) days from the date of this Agreement for due diligence (the "Due Diligence Period"). At completion of the Due Diligence Period Buyer shall have fifteen (15) days to send the City notice to terminate this Agreement if Buyer reasonably determines development of the Property is economically infeasible as a result of the presence of hazardous materials or other soil or ground conditions. If the City does not receive notice from the Buyer during the aforementioned fifteen (15) day period, Escrow shall close on the seventy-fifth (75) day after the execution of this Agreement. If this escrow is not in condition to close on or before seventy-five (75) days after the execution of this Agreement, either party who then shall have fully performed the acts to be performed before the Close of Escrow may, in writing, demand the return of its money, papers or documents. No demand for return shall be recognized until ten (10) days after the Escrow Agent shall have mailed copies of such demand to the other party at the address of its principal place of business. Objections, if any, shall be raised by written notice to the Escrow Agent and to the other party within the ten-day (10-day) period. If any objections are raised within the ten-day (10 day) period, the Escrow Agent is authorized to hold the money, paper and documents until instructed by mutual agreement of the parties or upon failure thereof by a court of competent jurisdiction. If no such demands are made the escrow shall be closed as soon as possible.

If objections are raised as above provided for, the Escrow Agent shall not be obligated to return any such money, papers or documents except upon the written instructions of both City and Buyer, or until the party entitled thereto has been determined by a final decision of a court of competent jurisdiction. If no such objections are made within said ten-day (10-day) period, the Escrow Agent shall immediately return the demanded money, papers or documents to the party depositing the same.

Any amendments to these escrow instructions shall be in writing and signed by both City and Buyer. At the time of any amendment, the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

The liability of the Escrow Agent under this Agreement is limited to performance of the obligations imposed upon it under this Agreement.

All communications from the Escrow Agent to City or Buyer shall be directed as follows:

To the City

City of Culver City
Susan Evans, Community Development Director
P O Box 507
Culver City, California 90232

Copy to Murray O Kane, Esq

To the Buyer

Conjunctive Points Warner Development, LLLP
Attn Frederick N Smith
3528 Hayden Avenue
Culver City, CA 90232

Copy to Edward W Wachtel, Esq
Goodson Wachtel and Petruilis a Professional Corporation
10940 Wilshire Boulevard, Suite 1400
Los Angeles, CA 90024

The term "Close of Escrow," if any, where written in these instructions, shall mean the date necessary instruments of conveyance are recorded in the office of the Los Angeles County Recorder. Recordation of instruments delivered through this escrow is authorized if necessary or proper in the issuance of said policy of title insurance.

All time limits within which any matter herein specified is to be performed may be extended by mutual written agreement of the parties hereto. Any amendment of or supplement to, any instructions must be in writing.

C Closing Statement City hereby authorizes and instructs Escrow Agent to release a copy of City's closing statement to Buyer, for the purpose of being able to ascertain whether any reimbursements are due City.

D Conveyance of Title and Delivery of Possession If satisfactory completion of all actions, which must be completed prior to conveyance as described in this Agreement has occurred, conveyance to and acceptance by Buyer of title and possession to Property in accordance with the provisions of Subsection (F) below, shall be completed within seventy-five (75) days following approval and execution of this Agreement by City, or such later date as is first mutually agreed to in writing by City and Buyer and communicated in writing to the Escrow Agent. City and Buyer agree to perform all acts necessary for recordation of the Grant Deed for Property in sufficient time for escrow to be closed in accordance with the foregoing provisions.

The following are conditions precedent to City's obligation to convey the Property. City, at its option, may terminate this Agreement if any condition or obligation of Buyer, set forth below, is not satisfied by Buyer or waived in writing by City within the times required by this Agreement.

- 1 Buyer's deposit of the Cash Portion of the Purchase Price in escrow in the amount of Two Million Seven Hundred Twenty Eight Thousand and Eight Hundred Dollars (\$2,728,800.00),
- 2 Buyer's execution of the Public Parking Covenants in recordable form,
- 3 Buyer's execution of the Promissory Note evidencing the Purchase Price Balance,
- 4 Buyer's execution of the First Deed of Trust in recordable form securing the Promissory Note,
- 5 Buyer's execution of the Restrictions Deed of Trust in recordable form securing the Restrictions set forth in Subsections C and G of Section V, and
- 6 Buyer's full compliance with all of the provisions of this Agreement limited to those conditions which are required or capable of being performed prior to the Close of Escrow.

E Form of Grant Deed City shall convey to Buyer title to the Property, in the condition of title provided in Subsection (F) below, by a grant deed (the "Grant Deed") conforming in form and substance to the form attached hereto and incorporated herein as Exhibit "E".

F Condition of Title City shall convey to Buyer fee simple title to Property free and clear of all recorded liens, encumbrances, assessments, easements, leases and taxes, subject to (a) the Public Parking Covenants, (b) those as set forth in this Agreement and included in the Grant Deed, (c) those exceptions identified in United Title Preliminary Report dated February 3, 2006, Order No. 20600119-9, (d) the City's underlying fee interest in the Railroad Easement Area, (e) the Railroad Easement and (f) those which are otherwise consistent with this Agreement. Title to the Property shall be subject to the exclusion therefrom (to the extent now or hereafter validly excepted and reserved by the parties named in deeds, leases and other documents of record) of all oil, gas, hydrocarbon substances and minerals of every kind and character lying more than five hundred (500) feet below the surface, together with the right to drill into, through, and to use and occupy all parts of Property lying more than five hundred (500) feet below the surface thereof for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances or minerals from the Property, to the extent not owned by City, but without, however, any right to enter upon, use or disturb either the surface of the Property or any portion thereof within five hundred (500) feet of the surface for any purpose or purposes whatsoever.

All references to conveyance of title in this Agreement shall also mean delivery of possession as referred to in this Subsection as the context may require

G Time for and Place of Delivery of the Grant Deed Subject to any mutually agreed upon extension of time, City shall deposit the Grant Deed for the Property with the Escrow Agent within seventy-five (75) days of the execution of this Agreement by City in accordance with Section III

H Recordation of the Grant Deed The Escrow Agent shall deliver to Buyer a title insurance policy insuring title in conformity with Subsection (I) below and file the Grant Deed for recordation among the land records in the Office of the County Recorder for Los Angeles County

I Title Insurance Concurrent with the recordation of the Grant Deed, United Title Company or another title insurance company satisfactory to both City and Buyer ("Title Co ') shall provide and deliver to Buyer an ALTA title insurance policy issued by the Title Co insuring that title to the Property is vested in Buyer in the condition required by this Agreement The Title Co shall provide City with a copy of the title insurance policy The title insurance policy shall be in the amount of the Purchase Price

Concurrent with the issuance of the title policy for the Property, the Title Co shall if requested by Buyer, provide Buyer with an endorsement to insure the amount of Buyer's estimated construction costs of the improvements to be constructed on the Property and such other endorsements as Buyer may reasonably request

Buyer shall pay for all premiums, including those for any extended coverage or special endorsements

J Taxes and Assessments Ad valorem taxes and assessments levied, assessed or imposed on the Property including fee title and any interest under the Public Parking Covenants and taxes upon this Agreement or any rights thereunder levied, assessed or imposed for any period commencing after conveyance of title to the Property to Buyer, shall be borne by Buyer All ad valorem taxes and assessments levied assessed or imposed for any period prior to conveyance of title to the Property shall be paid by City

K Occupants of Property City agrees title to the Property shall be conveyed free of any possession or right of possession, subject to the terms and provisions of the Public Parking Covenants Within thirty (30) days of execution of this Agreement, the City shall provide Buyer with a list reflecting the names addresses and terms of each rental agreement of all Public Users currently using the Public Parking Spaces and those on any waiting list At the Close of Escrow, the City shall update such lists

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M Condition of the Property, Hazardous Substance Disclosure, Release and Indemnity Buyer has been informed that the Property is within close proximity to an Alquist Priolo Seismic Hazardous Zone and may be subject to liquefaction in the event of an earthquake. Due to the Property's location, soil engineer testing may be required as a prerequisite to acquisition of the Property, provided, however this section shall not extend the Due Diligence Period and shall not limit any obligations of Buyer pursuant to this Subsection M pertaining to the delivery of the Property in an "as is" condition with no express or implied warranty.

Buyer, at its own expense and in consultation with City, has employed or will employ a qualified soil engineer, geologist and environmental consultant for the purpose of investigating and determining the soil and water condition of the Property, hazardous materials in any existing structure on the Property and the suitability of the Property, for economically feasible development thereon by Buyer in accordance with this Agreement. A copy of the written report of the soils engineer, geologist and environmental consultant shall be furnished to City.

The Property shall be delivered from City to Buyer in an "as is" condition, with no warranty, express or implied by City as to the condition of the soil and water, its geology or the presence of hazardous material, known or unknown faults or any structures on or in the Property.

Buyer shall be solely responsible for all necessary testing of the Property for hazardous materials pursuant to all applicable laws, statutes, rules and regulations. Buyer shall also be responsible for site conditions, including, but not limited to, flood zones, Alquist-Priolo Seismic Hazardous Zones, and similar matters. For purposes of this Agreement "hazardous materials" shall mean asbestos, polychlorinated biphenyls (whether or not highly chlorinated), radon gas, radioactive materials, explosives, chemicals known to cause cancer or reproductive toxicity, hazardous waste, toxic substances or related materials, petroleum and petroleum product, including, but not limited to gasoline and diesel fuel, those substances defined as a "Hazardous Substance", as defined by Section 9601 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq., or as 'Hazardous Waste' as defined by Section 6903 of the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq., an "Extremely Hazardous Waste," a "Hazardous Waste" or a "Restricted Hazardous Waste," as defined by The Hazardous Waste Control Law under Section 25115, 25117 or 25122.7 of the California Health and Safety Code or is listed or identified pursuant to Section 25140 of the California Health and Safety Code, a "Hazardous Material," "Hazardous Substance," Hazardous Waste or Toxic Air Contaminant as defined by the California Hazardous Substance Account Act, laws pertaining to the underground storage of hazardous substances, hazardous materials release response plans, or the California Clean Air Act under Sections 25316, 25281, 25501, 25501.1 or 39655 of the California Health and Safety Code. "Oil" or a "Hazardous Substance" listed or identified pursuant to 311 of the Federal Water Pollution Control Act, 33 U.S.C. 1321, a "Hazardous Waste," "Extremely Hazardous Waste" or an "Acutely Hazardous Waste" listed or defined pursuant to Chapter 11 of Title 22 of the California Code of Regulations Sections 66261.1, 66261.126, chemicals listed by the State of California under Proposition 65 Safe Drinking Water and Toxic Enforcement Act of 1986 as a chemical known by the State to cause cancer or reproductive toxicity pursuant to Section 25249.8 of the California Health and Safety Code, a material which due to its characteristics or interaction with one or more other

substances, chemical compounds, or mixtures materially damages or threatens to materially damage, health safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or government agency requires in order for the property to be put to the purpose proposed by this Agreement, any material whose presence would require remediation pursuant to the guidelines set forth in the State of California Leaking Underground Fuel Tank Field Manual, whether or not the presence of such material resulted from a leaking underground fuel tank, pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act, 7 U S C 136 *et seq* , asbestos, PCBs and other substances regulated under the Toxic Substances Control Act, 15 U S C 2601 *et seq* , any radioactive material including, without limitation, any "source material," "special nuclear material," "by-product material," "low level wastes" "high-level radioactive waste," "spent nuclear fuel" or "transuranic waste" and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act, 42 U S C 2011 *et seq* , the Nuclear Waste Policy Act, 42 U S C 10101 *et seq* , or pursuant to the California Radiation Control Law, California Health and Safety Code, Sections 25800 *et seq* , hazardous substances regulated under the Occupational Safety and Health Act 29 U S C 651 *et seq* , or the California Occupational Safety and Health Act California Labor Code, Sections 6300 *et seq* , and/or regulated under the Clean Air Act, 42 U S C 7401 *et seq* or pursuant to The California Clean Air Act, Sections 3900 *et seq* of the California Health and Safety Code Any studies and reports generated by Buyer's testing for hazardous materials shall be made available to City upon City's request

If the soil, water or material conditions of the Property, or any part thereof including without limitation hazardous materials, are not in all respects entirely suitable for the use or uses to which the Property will be put, then it is the sole responsibility and obligation of Buyer to take such action as may be necessary to place the Property and the soil, water and material conditions thereof in all respects in a condition entirely suitable for the Development Project

N Preliminary Work By Buyer Upon the execution of this Agreement and prior to the conveyance of title to the Property to Buyer, representatives of Buyer shall have the right of access to and entry upon the Property, at all reasonable times for the purpose of obtaining data and making surveys and tests necessary to carry out this Agreement Buyer agrees to and shall defend, indemnify and hold harmless the City and its officers, employees contractors and agents' from and against all claims liability loss damage costs or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident injury, loss or damage whatsoever caused to any person or the property of any person which shall occur on or adjacent to the Property, or in connection with the activities of Buyer, its officers, employees contractors or agents, performed and conducted on the Property pursuant to this Subsection N and which shall be directly or indirectly caused by the acts errors or omissions of Buyer or its officers employees, contractors or agents

During any period when Buyer is engaged in preliminary work on the Property pursuant to this Subsection N, Buyer shall furnish, or cause to be furnished to City duplicate originals or appropriate certificates of bodily injury and property damage insurance policies as provided in Section X

IV APPROVAL OF THIS AGREEMENT

A Agreement Subject to City's Discretion This Agreement represents Buyer's proposal and is expressly subject to and contingent upon City's approval and written acceptance. Deposit into escrow of a fully executed copy of this Agreement constitutes approval and acceptance by City. Buyer acknowledges, understands, and agrees no effective agreement of any kind will arise from Buyer's execution and presentation of this Agreement to City unless and until City approves and accepts this Agreement in writing, in the sole discretion of City and after conducting such procedures as may be required by law for the sale of the Property.

B Good Faith Deposit Buyer herewith delivers to City a good faith deposit (the "Good Faith Deposit") in the amount of ONE HUNDRED THOUSAND DOLLARS (\$100 000 00) in the form of a certified or cashier's check payable to City, which deposit shall be utilized as follows:

At such time as City formally decides whether to accept or reject this Agreement, the following shall apply:

1 If this Agreement is rejected by City, the Good Faith Deposit shall be returned to Buyer.

2 If this Agreement is accepted by City, then the Good Faith Deposit shall be deposited in Escrow upon opening of Escrow and:

i Retained by City as its property without deduction or offset of any kind in the event this Escrow does not timely Close for any reason other than the material default of City hereunder, or

ii Applied as part payment of the Purchase Price for the Property at Close of Escrow with an appropriate credit to Buyer, and paid to City at Close of Escrow as a portion of the Purchase Price.

3 If after completion of Buyer's Due Diligence Period, the environmental, geologic and seismic conditions of the Property are shown to render development of the Property economically infeasible, Buyer shall have the right, upon fifteen (15) days notice to City, to terminate this Agreement and the Good Faith Deposit shall be returned to Buyer. If Buyer does not provide City with notice, Escrow will close on the seventy-fifth (75) day after the execution of this Agreement.

V RESPONSIBILITIES OF CITY AND BUYER

A Responsibilities of City City shall not place, or allow to be placed, on the Property, any mortgage, trust deed, encumbrance or lien. City shall within thirty (30) days of the creation thereof, remove, or shall have removed, any lien or attachment made on or against the Property (or any portion thereof) created by the work or improvements of City. Nothing herein

contained shall be deemed to prohibit City from contesting the validity or amount of any claim which resulted in a lien nor to limit the remedies available to City in respect thereto provided such lien is first discharged or bonded around

B Taxes, Assessments, Encumbrances and Liens Buyer shall pay when due all real estate taxes and assessments assessed and levied on or against the Property and each portion thereof following the conveyance of title to Buyer Buyer shall not place, or allow to be placed, on the Property, or any portion thereof, any mortgage, trust deed, encumbrance or lien not authorized by this Agreement Buyer shall remove, or shall have removed any levy or attachment made on the Property, or any portion thereof, except those created by work of City, or shall assure the satisfaction thereof within a reasonable time but in any event prior to a sale thereunder Nothing herein contained shall be deemed to prohibit Buyer from contesting the validity or amount of any encumbrance or lien, nor to limit the remedies available to Buyer in respect thereto The covenants of Buyer set forth in this Subsection B relating to the placement of any unauthorized mortgage, trust deed, encumbrance, or lien shall remain in effect only until the expiration of the Restricted Period, or the portion thereof, upon which any unauthorized mortgage, trust deed, encumbrance or lien might be placed Notwithstanding any of the foregoing, until November 24, 2025, Buyer agrees to make no appeal or challenge of an assessment of the fair market value of the property for property tax purposes, except for (1) a decrease in value challenge or challenge to an initial assessment of a newly completed or rehabilitated building, to the extent the value challenged is in excess of increases otherwise permitted by law or the initial assessment is in excess of the actual costs of construction and land, and (2) in the event the appeal arises from adverse economic conditions

C Prohibition Against Transfer Prior to the expiration of the Restricted Period, Buyer shall not assign or attempt to assign this Agreement or any right herein with respect to the Property, nor make any total or partial sale, transfer, conveyance or assignment of the whole or any part of the Property or the improvements thereon, without prior written approval of City (which will not be unreasonably delayed or withheld) Such approval shall only be given by City if such sale, transfer, conveyance or assignment is reasonably deemed by City to be in the best interests of City and Buyer to carry out the purposes of the Culver City Redevelopment Plan and this Agreement and if the proposed purchaser, transferee, conveyee or assignee has in the reasonable opinion of City, the financial capability and overall competence to develop and operate the sold transferred conveyed or assigned obligations and Property Approval by City of any sale transfer conveyance or assignment shall be conditioned upon such purchaser, transferee conveyee or assignee agreeing in writing to assume the rights and obligations thereby sold, transferred conveyed or assigned and to keep and perform all covenants, conditions and provisions of this Agreement which are applicable to the rights acquired

The prohibitions contained in this Subsection C of this Section V shall not apply to an encumbrance permitted by Subsection G of Section V The prohibition against transfer contained herein above shall not apply to the Property or any portion thereof subsequent to the expiration of the Restricted Period This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, tenant leases for occupancy, nor shall it

prohibit granting any security interests expressly described in this Agreement for financing the acquisition and development of the Property or portion thereof

In the event Buyer does assign this Agreement or any of the rights herein, or does sell transfer convey or assign the Property, or portion thereof or the buildings or structures thereon prior to the expiration of the Restricted Period without the City's approval, City shall be entitled to the amount of the consideration payable for such unapproved sale, transfer conveyance or assignment, plus the reasonable transaction costs of such sale, transfer, conveyance or assignment to the extent such consideration exceeds the Purchase Price plus predevelopment and acquisition costs and the cost of improvements and development theretofore made to the Property or portion thereof including carrying charges and costs related thereto. Such excess consideration payable for any such unapproved sale, transfer, conveyance or assignment shall belong and be paid to City and until so paid City shall have a lien on the Property, or portion thereof, for such amount. Any such lien shall be subordinate and subject to mortgages, deeds of trust or other security instruments executed for the sole purpose of obtaining funds to purchase and develop the Property, or portion thereof, as authorized herein.

In the absence of specific written agreement by City, no such sale, transfer conveyance or assignment of this Agreement or the Property, or any portion thereof, or approval by City of any such sale, transfer, conveyance or assignment, prior to the expiration of the Restricted Period shall be deemed to relieve Buyer or any other party from any obligations under this Agreement. On any such sale transfer conveyance or assignment subsequent to the expiration of the Restricted Period Buyer shall be released from all obligations and liability under this Agreement and the Grant Deed.

Notwithstanding anything to the contrary contained in the Grant Deed, in this Subsection (C) or elsewhere in this Agreement, Buyer shall have the right upon written notice to City at least fifteen (15) days before the consummation of any such transaction (but without any requirement for prior consent) to assign its rights under this Agreement and to convey the Property, and the improvements located thereon to an Affiliated Entity (as defined below), provided, that the assignee assumes in writing and without qualification all of the obligations and liabilities of Buyer under this Agreement and any related instruments. For purposes hereof, an "Affiliated Entity" will be any entity which is (i) wholly-owned by Buyer (or its constituent members) and the general partner of Buyer remains the same (ii) results from Buyer going public, or reorganizing, or merging with another entity, provided, however an entity will not constitute an Affiliated Entity unless Laurie M Smith and Frederick N Smith or their heirs have primary control (51%) over the day to day operations of such entity, or (iii) a limited liability company or limited partnership provided, that Laurie M Smith and Frederick N Smith or their testamentary representatives retain not less than fifty-one percent (51%) ownership interest in said entity and in all events the controlling voting interest of all actions taken by that entity.

The prohibitions against transfer set forth in this Subsection C of Section V shall be secured by the Restrictions Deed of Trust. In the event Buyer obtains a Construction Loan City will subordinate its rights under the Restrictions Deed of Trust to the Lender's deed of trust for the Construction Loan, provided the Promissory Note has been paid off and the proceeds of the

Construction Loan are used for the development of the Property In the event Buyer obtains a Permanent Loan City shall subordinate its rights under the Restrictions Deed of Trust to the Lender s deed of trust for the Permanent Loan In the event of a Take Out Loan as permitted by Subsection G of this Section V City shall subordinate its rights under the Restrictions Deed of Trust to the Lender s deed of trust for the Take Out Loan

D Holder Not Obligated to Construct Improvements The holder of any mortgage, deed of trust or other security interest authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion nor shall any covenants or any other provision in the Grant Deed for the Property be so construed as to so obligate such holder In the event the holder of any mortgage, deed of trust or other security interest authorized by this Agreement elects to construct or complete the improvements or to guarantee such construction or completion, nothing in this Agreement shall be deemed or construed to permit, or authorize any such holder to devote the Property to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement

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G No Encumbrances except Mortgages, Deeds of Trust, or Other Conveyance for Financing the Payment of Purchase Price Balance

1 Until the expiration of the Restricted Period mortgages, deeds of trust, or any other form of conveyance required for any reasonable method of financing are permitted, but only for the purpose of securing loans of funds to be used only for financing the acquisition of the Property, and the construction thereon of improvements, and any other expenditures necessary and appropriate to develop the Property in accordance with this Agreement, including without limitation the project costs The Buyer shall not enter into any mortgage or deed of trust without the prior written consent of the City, which the City shall not unreasonably withhold or delay if the Buyer submits evidence satisfactory to the City demonstrating (1) that the mortgage, deed of trust or other security instrument is consistent with the provisions of this Agreement provides an adequate amount of funds for the acquisition and development of the Property and will close concurrently with the Close of Escrow under this Agreement and (2) the mortgage, deed of trust or other security instrument expressly acknowledges that the rights of any holder or person acquiring title through or following foreclosure are subordinate and subject to the provisions of the Grant Deed and the Public Parking Covenants The City s consent shall not be required if Buyer enters into a mortgage or deed trust loan made solely for the purpose of paying off the Purchase Price Balance and all interest and predevelopment costs related thereto ("Take Out Loan"), provided, however the City shall have the right to review and reasonably approve the amount of the Take Out Loan and the purposes for which the funds are requested to satisfy the City that the Loan amounts will be used for the payment of principal, interest and related predevelopment costs The words "mortgage" and "deed of trust" as used herein include all other modes of financing real estate acquisition construction, and land

development In order to satisfy the requirements of this Section V G 1 , Buyer may submit draft loan documents for the City to review so long as the City reserves the right to approve the final loan documents

2 The Buyer shall not place or allow to be placed on the Property or any part thereof or the improvements thereon, any mortgage, deed of trust encumbrance or lien other than as expressly authorized by this Section The Buyer shall remove or cause to be removed any levy or attachment made on the Property or any part thereof or assure the satisfaction thereof within a reasonable time but in any event prior to a sale thereunder

3 The Buyer shall notify the City in advance of any mortgage, deed of trust or sale and lease-back financing, if the Buyer proposes to enter into the same

4 The prohibitions against encumbrances set forth in this Subsection G of this Section V shall be secured by the Restrictions Deed of Trust In the event Buyer obtains a construction loan, City will subordinate its rights under the Restrictions Deed of Trust to the Lender's deed of trust for the construction loan, provided the Promissory Note has been paid off and the proceeds of the construction loan are used for the development of the Property In the event Buyer obtains permanent financing, City shall subordinate its rights under the Restrictions Deed of Trust to the Lender s deed of trust for the permanent financing In the event of a Take Out Loan as contemplated in this Subsection G of this Section V, City shall subordinate its rights under the Restrictions Deed of Trust to the Lender's deed of trust for the Take Out Loan

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VII NO EFFECT ON DUTIES TO CLOSE DUE TO CHANGES PRIOR TO CLOSING

Except as otherwise provided in this Agreement, any change in circumstances following full execution of this Agreement and the Closing of any kind or nature whatsoever including, but not limited to, any increase or decrease in the value of the Property, the death of any party the marital status of any party the discovery of any new or unknown facts (except as noted in this Agreement) changes in statutory or case law, any allegation of mistake of fact and/or any allegation of mistake of law does not and shall not affect the duties of the parties herein to Close the transactions set forth in this Agreement and does not and shall not affect the enforceability of this Agreement

VIII DEFAULTS AND REMEDIES

A Defaults – General Subject to the extensions of time set forth herein failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement The party who fails or delays must immediately, upon receipt of written

notice as specified below commence to cure correct or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence and during any period of curing shall not be in default, provided that in any event the default shall be cured by thirty (30) days Notwithstanding the foregoing if a failure or delay in performance by one party would cause the other party to be in default under a written agreement with an unrelated third party, then if such failure or delay is not corrected within thirty (30) days after written notice, the non-defaulting party may take reasonable steps to minimize its liability to such third party or other damage as a result of such failure or delay, and the defaulting party will be liable for the reasonable costs thereof

The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default Except as otherwise expressly provided in this Agreement, any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies Delays by either party in asserting any of its rights and remedies shall not deprive either party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect assert or enforce any such rights or remedies

If a monetary event of default occurs, prior to exercising any remedies hereunder, the injured party shall give the party in default written notice of such default The party in default shall have a period of ten (10) calendar days after such notice is received or deemed received within which to cure the default prior to exercise of remedies by the injured party

If a non-monetary event of default occurs, prior to exercising any remedies hereunder, the injured party shall give the party in default notice of such default If the default is reasonably capable of being cured within thirty (30) calendar days after such notice is received or deemed received, the party in default shall have such period to effect a cure prior to exercise of remedies by the injured party If the default is such that it is not reasonably capable of being cured within thirty (30) days, and the party in default (1) initiates corrective action within said period, and (2) diligently continually, and in good faith works to effect a cure as soon as possible, then the party in default shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the injured party but in no event longer than ninety (90) days from the date the first notice of default is given In no event shall the injured party be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default

B Institution of Legal Actions In addition to any other rights or remedies either party may institute legal action to cure, correct or remedy any default to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement Such legal actions must be instituted in the Superior Court of Los Angeles County State of California, in any other appropriate court in that county, or in the Federal District Court in the Central District of California

C Applicable Law The laws of the State of California shall govern the interpretation and enforcement of this Agreement

D Acceptance of Service of Process In the event that any legal action is commenced by Buyer against City, service of process on City shall be made by personal service upon the Chief Administrative Officer ("CAO"), or in such other manner as may be provided by law

In the event that any legal action is commenced by City against Buyer, service of process on Buyer shall be made by personal service upon an officer of Buyer and shall be valid whether made within or without the State of California, or in such other manner as may be provided by law

E Rights and Remedies Are Cumulative Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it at the same or different times, of any other rights or remedies for the same default or any other default by the other party

F Damages If either party defaults with regard to any of the provisions of this Agreement, then the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not commenced to be cured in accordance with Section XIII after service of the notice of default and is not cured promptly in a continuous and diligent manner within a reasonable period of time after commencement, then the defaulting party shall be liable to the nondefaulting party for actual damages caused by such default, and the nondefaulting party may thereafter (but not before) commence an action for actual damages against the defaulting party with respect to such default. Indirect and consequential damages shall not be sought by either party, except that, (i) if a defaulting party commits willful misconduct or fraudulent acts or omissions, the nondefaulting party can seek punitive and consequential damages against the defaulting party and (ii) the nondefaulting party can seek consequential damages if the defaulting party has materially breached this Agreement and such breach was not due to causes beyond the reasonable control of the defaulting party.

G Specific Performance If either party defaults with regard to any of the provisions of this Agreement the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not commenced to be cured within thirty (30) days after service of the notice of default and not cured promptly in a continuous and diligent manner within a reasonable period of time after commencement, the nondefaulting party, at its option may thereafter (but not before, unless necessary to prevent immediate harm) commence an action for specific performance of the terms of this Agreement pertaining to such default.

IX CONFLICT OF INTEREST

No member, official or employee of City shall have any direct or indirect interest in this

Agreement, nor shall such member, official or employee participate in any decision relating to the Agreement which is prohibited by law

X INDEMNIFICATION AND INSURANCE

A Non-liability of City Officials and Employees for Default No member, official or employee of City shall be personally liable to Buyer, or any successor in interest, as a result of any default or breach by City or for any amount which may become due to Buyer or successor or on any obligations under the terms of this Agreement

B Buyer's Indemnification, Bodily Injury and Property Insurance Buyer agrees to and shall defend, indemnify and hold harmless City and each of its officers employees contractors and agents, from and against all claims, liability, loss, damage, costs or expenses (including reasonable attorneys' fees and court costs) ("Claims") arising from or as a result of the death of any person or any accident, injury, loss or damage whatsoever caused to any person or to the property of any person which shall occur on or adjacent to the Property, or otherwise in connection with this Agreement, and which shall be directly or indirectly caused by any acts done or any errors or omissions of Buyer or its agents, servants, employees or contractors The foregoing indemnification shall not apply to any Claims which are the result of City or any of its respective officers, employees, contractors and agents' sole negligence or willful misconduct

The indemnities provided in this section for the Property shall survive this Agreement and the expiration of the Restricted Period

(1) Commencing upon the first to occur of (1) the entry by Buyer onto the Property for any purposes pursuant to this Agreement, including, but not limited to preliminary work by Buyer as set forth in Section III N, or (2) the Close of Escrow, Buyer shall maintain in effect and deliver to the City duplicate originals or appropriate certificates of the following insurance policies

(i) Property Insurance The Buyer shall at all applicable times during the Restricted Period, maintain or cause to be maintained in full force and effect, "all risk" property insurance in amounts at least equal to one hundred percent (100%) of the full replacement cost of all buildings and improvements on the Property and all personal property owned by Buyer (collectively "Insured Property") under a "special causes of loss form", with coverage for the following perils loss or damage by fire, lightning, windstorm cyclone tornado hail explosion riot riot attending a strike civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage, and sprinkler leakage and such other perils commonly covered by such form Such insurance shall be carried with an insurance company or companies that conform to the requirements of Subsection 2 below Such policy shall contain a provision that the same may not be canceled without at least thirty (30) days prior written notice being given by the Buyer to City All insurance proceeds obtained by the Buyer shall be held by the City and applied toward the reconstruction of the Property and Improvements as required under the Public Parking Covenants

(ii) General Liability Insurance The Buyer shall at all applicable times during the Restricted Period maintain or cause to be maintained in full force and effect commercial general liability insurance covering the Property and all improvements, with coverage on an "occurrence" form, issued by an insurance company or companies that conform with the requirements set forth below, including coverage for any accident, resulting in bodily injury to or death of any person and consequential damages arising therefrom and property damage, resulting directly or indirectly from any acts or activities of the Buyer or its subleases, or any person acting for Buyer, or under its respective control or direction, or in connection with the operation of the Property, with limits of not less than Five Million Dollars (\$5 000 000) per occurrence and contractual liability insurance with limits of not less than Five Million Dollars (\$5,000,000) per occurrence, and business automobile liability coverage for any Buyer owned, hired and non-owned vehicles with combined single limits of not less than Five Million Dollars (\$5,000,000) per accident. Such general liability insurance shall also provide for and protect Buyer against incurring any legal cost in defending claims for alleged loss. The foregoing policies of insurance may be maintained in part by the Buyer under an excess or umbrella policy. The Buyer upon request shall furnish to City, on or before the effective date of any such policy, evidence that the insurance referred to in this Subsection is in force and effect and that the premiums therefore have been paid. Such insurance shall name City as additional insureds thereunder and shall provide that the same may not be canceled without at least thirty (30) days' prior written notice being given by the insurer to City. The Buyer shall furnish to City copies of the additional insured endorsement(s).

(iii) Workers' Compensation Insurance Buyer shall maintain or cause to be maintained workers' compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the workers' compensation laws now in force in California, or any laws hereafter enacted as an amendment or supplement thereto or in lieu thereof. Such workers' compensation insurance shall cover all persons employed by Buyer in connection with the Property and shall cover liability within statutory limits for compensation under any such act aforesaid, based upon death or bodily injury claims made by, for or on behalf of any person incurring or suffering injury or death in connection with the Property or the operation thereof by Buyer. Notwithstanding the foregoing Buyer may, in compliance with the laws of the State of California and in lieu of maintaining such insurance, self-insure for workers' compensation in which event Buyer shall deliver to City evidence that such self insurance has been approved by the appropriate State authorities.

2 Form of Policies All policies or certificates of insurance shall provide that such policies shall not be canceled, reduced in coverage or limited in any manner without at least thirty (30) days prior written notice to City. All liability insurance policies shall name the City as insured, additional insured and/or loss payable party as its interest may appear.

All insurance provided under this Subsection 2 shall be for the benefit of Buyer and City. Buyer agrees to timely pay all premiums for such insurance and, at its sole cost and expense, to comply and secure compliance with all insurance requirements necessary for the maintenance of such insurance. Buyer agrees to submit binders or certificates evidencing such

insurance to City prior to the execution of these Public Parking Covenants. Within thirty (30) days, if practicable but in any event prior to expiration of any such policy, copies of renewal policies, or certificates evidencing the existence thereof, shall be submitted to City. All insurance herein provided for under this Section shall be provided by insurers licensed to do business in the State of California and rated A-VII or better.

If Buyer fails or refuses to procure or maintain insurance as required by these Public Parking Covenants, City shall have the right, at City's election, and upon ten (10) days prior notice to Buyer, to procure and maintain such insurance. The premiums paid by City shall be treated as a loan, due from Buyer to be paid on the first day of the month following the date on which the premiums were paid. City shall give prompt notice of the payment of such premiums, stating the amounts paid and the name of the insured(s).

C City's Indemnifications, Tenant Claims City agrees to and shall defend, indemnify, and hold harmless Buyer and each of its officers, employees, contractors, and agents from and against all claims liability, loss, damage, costs or expenses (including reasonable attorney's fees and court costs) (the "Claims") arising from or as a result of any claims made after the Close of Escrow based upon or arising from any claims of possession of the Property, including the Willows Parking Lease that pre-existed the Close of Escrow pursuant to an Agreement with the City.

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XII MISCELLANEOUS

A Entire Agreement This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or part of the subject matter hereof.

None of the terms covenants, agreements or conditions set forth in this Agreement shall be deemed to be merged with the Grant Deed for the Property and this Agreement and the obligations of the parties shall remain in full force and effect until termination of the Restricted Period.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of City or Buyer, and all amendments hereto must be in writing and signed by the appropriate authorities of City and Buyer.

B Approvals Any and all approvals by Buyer or City under this Agreement or documents referenced hereunder shall be made promptly and in good faith and not unreasonably delayed or withheld and shall be exercised with a view toward implementing the purposes of this Agreement.

C Binding Effect, Modifications and Counterparts This Agreement shall be binding upon and shall inure to the benefit of the respective heirs, trustees, beneficiaries, successors, representatives and assigns of the parties. This Agreement cannot be modified, amended, changed

or revised except by a writing executed by each of the parties hereto. This Agreement may be executed in one or more counterparts and, when executed by each of the parties signatory hereto, shall be binding on all of the parties hereto even though each of the signatory parties may have executed separate counterparts hereof.

D Governing Law This Agreement and the interpretation hereof, shall be governed by and in accordance with the procedural and substantive laws of the State of California as to all matters.

E Severability If one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, void or unenforceable for any reason whatsoever, then such provision shall be stricken and of no force or effect. The provision, terms or words to be stricken shall be as limited as permissible by law and shall not affect, impair or invalidate any other provision of this Agreement. If a provision of this Agreement shall be deemed invalid due to its scope and breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law. The remaining terms and provisions of this Agreement shall continue in full force and effect and, to the extent required, shall be modified to preserve their validity.

F Interpretation This Agreement shall not be construed in favor of or against a party by reason of its participation or lack of participation of that party or its counsel in drafting this Agreement and/or any provision or term of this Agreement and/or any Exhibit attached hereto. This Agreement shall be interpreted and construed as if drafted by all parties with equal participation in the drafting hereof.

G Attorneys' Fees and Costs In the event any party institutes a proceeding under this Agreement, the prevailing party shall, in addition to such other relief as may be awarded, be entitled to recover, as an element of its costs (and not as damages), attorney's fees, expenses and costs actually incurred with such proceeding.

H Waiver A waiver of a breach by any party hereto in any one instance shall not constitute a waiver of any prior or subsequent breach whether or not similar.

I Warranty of Authority and Consents Each party hereto represents and warrants that the party has the right, power, legal capacity and authority to enter into and perform the obligations set forth in this Agreement and that no approvals or consents of any persons, firms, corporations or entities are necessary in conjunction with same.

J No Benefit to Third Parties Except as otherwise specifically provided herein, this Agreement is not intended for the benefit of any third party.

K Recitals The "Recitals" set forth in this Agreement constitute a material part of this Agreement and are incorporated herein, and, to the extent necessary, required of helpful, shall be considered in construing, interpreting and enforcing the terms and provisions of this Agreement.

L Exhibits In the event of any inconsistency or conflict between the terms and provisions of this Agreement and the terms and provisions of any Exhibit the terms and provisions of said Exhibit shall be determinative and controlling

M Cost of Defense In the event any legal action is commenced challenging the legality of an environmental impact report or mitigated negative declaration relating to any of the proposed uses of the Property set forth herein the Buyer shall be responsible for all legal fees related to a defense

This Agreement shall be dated as of the date on which it is executed on behalf of City

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF the parties hereto have executed this Agreement in duplicate original on the dates set forth herein below

BUYER

CONJUNCTIVE POINTS WARNER
DEVELOPMENT LLLP a Delaware limited liability
limited partnership

Dated March 13 2006

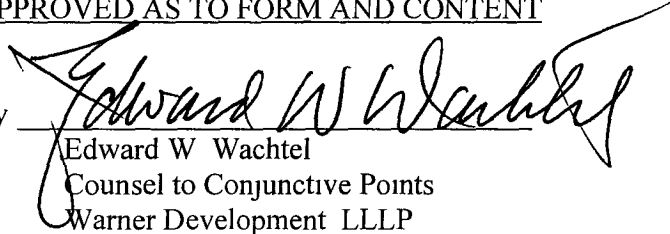
By 
Frederick N. Smith
President of Conjunctive Points Warner
Development Inc. General Partner of
Conjunctive Points Warner Development
LLLP

Dated _____ 2006

By _____

Its _____

APPROVED AS TO FORM AND CONTENT

By 
Edward W. Wachtel
Counsel to Conjunctive Points
Warner Development LLLP

3/13/2006

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

CITY OF CULVER CITY

Dated _____, 2006

By _____
Jerry Fulwood
Chief Administrative Officer

APPROVED AS TO FORM

APPROVED AS TO CONTENT

By _____
Carol A Schwab
City Attorney

By _____
Susan Evans
Community Development Director

KANE, BALLMER & BERKMAN
Special Counsel

By _____
Murray O Kane

Attachments

Exhibit "A" Legal Description
Exhibit "B" Public Parking Covenants Affecting Real
Property
Exhibit "C" Promissory Note
Exhibit "D" Form of Deed of Trust
Exhibit "E" Form of Grant Deed
Exhibit "F" Form of Restriction Deed of Trust

EXHIBIT A

LEGAL DESCRIPTION OF SITE

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

Lots 30, 31, 32 and 33 of Tract No 13503, in the City of Culver City, as per map recorded in Book 278 pages 38 and 39 of Maps, in the office of the county recorder of said county

Except the Easterly 21 feet of said lot 33 and the Northerly 25 feet of said lots 30, 31, 32 and 33

APN 4205-023-901

Exhibit "B"

Public Parking Covenants Affecting Real Property
[Behind This Page]

OFFICIAL BUSINESS
Document entitled to free
recording per Govt Code §6103

Recording Requested by and
When Recorded Mail to
CITY OF CULVER CITY
9770 Culver Boulevard
Culver City California 90232

PUBLIC PARKING COVENANTS AFFECTING REAL PROPERTY

by and among

CITY OF CULVER CITY,

City,

and

CONJUNCTIVE POINTS WARNER DEVELOPMENT, LLLP

Buyer

- EXHIBIT A - LEGAL DESCRIPTION
- EXHIBIT B - MAP OF WARNER OF EASEMENT
- EXHIBIT C FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

PUBLIC PARKING COVENANTS AFFECTING REAL PROPERTY

THESE PUBLIC PARKING COVENANTS AFFECTING REAL PROPERTY ("Public Parking Covenants") are entered into as of _____, 2006, by and among THE CITY OF CULVER CITY, a municipal corporation ("City"), and CONJUNCTIVE POINTS WARNER DEVELOPMENT, LLLP, a Delaware limited liability limited partnership ('Buyer ')

RECITALS

1 Pursuant to that certain Purchase and Sale Agreement dated as of _____, 2006 (the "Agreement"), Buyer has purchased from City that certain real property (the "Property") located in the City of Culver City, County of Los Angeles, State of California, legally described in the "Legal Description" attached hereto and incorporated herein as Exhibit 'A'

2 Currently, there are two hundred and forty-two (242) surface parking spaces on the Property, twenty (20) of which have been specifically designated for use by the Willows Community School

3 Pursuant to the Agreement, City has conveyed the Property in partial consideration of Buyer's agreement to record against the Property and accept title to the Property subject to the covenants and obligations of Buyer under these Public Parking Covenants

4 City desires to impose on the Property certain limitations, restrictions, conditions and covenants preserving for ten (10) years the designation of Public Parking Spaces (as defined herein) for City's public purpose of public parking City further desires to impose on the Property certain limitations restrictions conditions and covenants preserving for ten (10) years and no more than the designation of parking spaces for use by the Willows Community School

5 The Property and any improvements hereinafter located thereon shall be subject to the terms and provisions of these Public Parking Covenants

DEFINITIONS

For purposes of these Public Parking Covenants, the following capitalized terms shall have the following meanings

' Public Users shall mean employers and tenants or prospective tenants of property owners within the Hayden Tract their respective employees visitors and customers

"Public Parking Spaces" shall mean two hundred and forty two (242) parking spaces made available to Public Users and the Willows Community School either at the Property or in a combination of spaces at the Property and Substituted Parking, provided such spaces in total equal two hundred and forty-two (242) The parking spaces shall be made available through methods, procedures and on terms established by Buyer, including, but not limited to, sublease agreements on a first come first serve basis In the event Buyer completes construction of a Parking Structure, Public Parking Spaces may include tandem or valet parking at Buyer s sole cost subject to a management and

operation plan first approved by the Culver City Redevelopment Agency Assistant Executive Director or his/her designee (the "Agency Assistant Executive Director") and provided Buyer requests Assistant Executive Director's approval of the management and operation plan prior to requesting a Certificate of Occupancy for the Parking Structure Compact parking spaces are permitted provided however, they shall not exceed 10% of the total number of parking spaces provided

"Hayden Tract" shall mean that area bounded by the south side of National Boulevard on the North the east side of La Ballona Creek on the east, the commercial properties on Schaefer Street on the west and the north side of Higuera Street on the south

"Parking Structure" shall mean a parking facility or structure constructed on the Property

"Property" shall mean that property commonly known as 8511 Warner Drive, Culver City, California 90232 which is legally described in Exhibit "A"

"Property and Improvements" shall mean the Property and any improvements now or hereinafter located thereon

"Operating Condition" shall mean the restoration of the Property, Parking Structure or any other building or structure on the Property to a size and use comparable to that before such damage or destruction, or the reconstruction of any portion or component of the Property, Parking Structure or any other building or structure on the Property to a size and use comparable to that before such damage or destruction

"Substituted Parking" shall mean two hundred and forty-two (242) or some lesser number of parking spaces made available by Buyer to Public Users, separate from those located on the Property which substitute and/or continue the Public Parking Spaces at an alternative location meeting the Substituted Parking Criteria

"Substituted Parking Criteria" shall mean Substituted Parking located anywhere within the Hayden Tract as determined by Buyer, subject to prior written approval of the City Substituted Parking may include tandem or valet parking at Buyer's sole cost subject to a management and operation plan first approved by the Agency Assistant Executive director or his/her designee Compact parking spaces are permitted, provided however, they shall not exceed 10% of the total number of parking spaces provided Substituted Parking shall not include parking designated to satisfy pre existing parking requirements pursuant to the Culver City Municipal Code

"Term" shall mean a ten (10) year period ending ten (10) years following recordation of these Public Parking Covenants

"Willows Spaces" shall mean those twenty (20) spaces derived from the two hundred and forty two (242) Public Parking Spaces, designated for use by the Willows Community School, a California non profit corporation

DECLARATION

Buyer declares that the Property shall be held, conveyed, hypothecated, encumbered leased rented, used and occupied subject to the following terms, provisions, limitations, restrictions, covenants conditions, all of which are declared and agreed to be for the purpose of maintaining and protecting Public Parking Spaces for Public Users during the ten (10) year term of these Public Parking Covenants All of the limitations, restrictions covenants and conditions shall run with the land shall be enforceable solely by the City and not directly by a third-party and shall be binding on and inure to the benefit of the successors in interest of the parties having or acquiring any right title or interest in the Property, shall be enforceable equitable servitudes and shall be binding on and inure to the benefit of the successors-in-interest of the parties for ten (10) years

NOW, THEREFORE, CITY AND BUYER AGREE AS FOLLOWS

1 Buyer , on behalf of itself and its successors, assigns, and each successor in interest to Buyer's interest in the Property or any part thereof, hereby covenants and agrees as follows

a Buyer its successors and assigns, shall use the Property and Improvements for whatever use Buyer, its successors and assigns shall deem fit which are consistent with the Culver City Redevelopment Plan, and the uses permitted in these Public Parking Covenants, specifically including the following

(1) Public Parking Spaces shall be located or maintained on the Property or elsewhere within the Hayden Tract as determined by Buyer, pursuant to the Substituted Parking Criteria and the requirements and provisions of these Public Parking Covenants, and

(2) Buyer shall retain the right to construct improvements on the Property, subject to Buyer s duty prior to the commencement of construction to provide Substituted Parking meeting the Substituted Parking Criteria for the Public Parking Spaces, pursuant to the provisions of Subsections (3), (4) (5), and (6) within this Section 1 a and

(3) Buyer shall give all the Public Users and the Willows Community School written notice of Buyer s election to provide Substituted Parking no less than ninety (90) days prior to the proposed effective date of the substitution Such notice shall specify (a) the number of Public Parking Spaces being substituted, (b) the proposed location of the Substituted Parking spaces, (c) the effective date of the substitution and (d) the rental rate terms In addition to providing Public Users and the Willows Community School with written notification of relocation Buyer shall also post visible signs in close proximity to the Property to alert affected Public Users and the Willows Community School of the relocation and

(4) Buyer shall pay all costs incurred by Public Users and the Willows Community School as a result of relocation of Public Parking Spaces to the Substituted Parking site provided, however, nothing herein shall require Buyer to pay any transportation or similar costs relating to the relocation to the Substituted Parking Buyer may impose rents, subject to the

fair market Parking Rate requirements of Paragraph (8) below, for the Substituted Parking or Public Users, and

(5) Prior to relocation of Public Parking Spaces to the Substituted Parking site Buyer shall, at Buyer's cost and expense, place the Substituted Parking site in the same or better condition than the Property at the commencement of these Public Parking Covenants and

(6) Notwithstanding the Substituted Parking Criteria, during the pre-construction phase of any development and during actual construction of any development the twenty (20) substituted parking spaces designated for use by the Willows Community School shall be no more than one-quarter (1/4) mile from the Property, and

(7) In the event Buyer completes construction of a parking facility or structure on the Property ("Parking Structure"), Buyer shall continue to have the right to allocate and reallocate the two hundred and forty-two (242) Public Parking Spaces any where in the Parking Structure or elsewhere within the Hayden Tract as determined by Buyer, pursuant to the Substituted Parking Criteria, and

(8) The parking rate paid to Buyer by Public Users and the Willows Community School for the use of Public Parking Spaces shall be set an initial amount of no more than sixty dollars (\$60) per month (the "Parking Rate ") The Parking Rate may be adjusted from time-to-time to the then fair market rate based on comparable parking rates charged by public and private parking facilities within the Culver City Downtown Area and Hayden Tract Within thirty (30) days following execution of the Purchase and Sale Agreement, the City shall provide Buyer with a list reflecting the names, addresses and terms of each rental agreement of all Public Users currently using the Public Parking Spaces and those on any waiting list, and

(9) All of the parking income generated from the use of the Public Parking Spaces and Substituted Parking by the Public Users and the Willows Community School shall be collected by paid to and belong to the Buyer , and

(10) Buyer shall pay all expenses attributed to the use of the Public Parking Spaces by the Public Users and the Willows Community School Nothing herein requires City to pay for expenses Nothing in these Public Parking Covenants requires an expansion of services by Buyer on the surface parking lot or Substituted Parking beyond the services provided by the City, provided the Public Users and Willows Community School receive the same level of service as the rest of the users of the Parking Structure and Substituted Parking site, and

(11) Buyer shall ensure Public Parking Spaces are made available to Public Users and the Willows Community School twenty four (24) hours a day seven (7) days a week through the use of key cards or other reasonable means of access ("Hours of Operation ") , and

(12) Except as otherwise set forth in this Section 1 , these Public Parking Covenants shall remain in full force and effect with respect to the Substituted Parking spaces The rental fee for the Substituted Parking spaces shall be determined as though the Substituted Parking spaces were located on the Property, and

(13) If Public Users desiring to lease Public Parking Spaces exceed the two hundred and forty-two (242) Public Parking Spaces provided for by these Public Parking Covenants Buyer shall allocate the available Public Parking Spaces using a fair equitable reasonable and balanced basis , and

(14) In the event Buyer wishes to obtain a construction loan on the Property, Buyer shall submit to City, not less than sixty (60) days prior to such loan, Buyer's proposed relocation of the Public Parking Spaces from the Property to Substituted Parking which spaces shall meet the Substituted Parking Criteria Under the Purchase and Sale Agreement, City has the duty to approve said construction loan provided City is satisfied that the Substituted Parking Criteria has been satisfied City shall not unreasonably withhold its approval of said construction loan, provided the Substituted Parking Criteria has been satisfied

2 Maintenance Buyer, its successors and assigns, shall maintain, repair and keep the Property in good repair and free from any accumulation of debris, graffiti or waste materials, maintain the landscaping required to be planted and/or retained in a healthy and attractive condition, and take all other actions necessary to maintain and ensure the neat and clean appearance of the Property

3 Utilities Buyer, its successors and assigns, shall pay before delinquency all charges for water, gas heat electricity, power, telephone service and all other services of utilities used in, upon, or about the Property by the Public Users and Willows Community School during the Term of the Public Parking Covenants

4 Taxes Buyer, its successors and assigns, shall be liable for, and shall pay before delinquency, all real property taxes and assessments applicable to the Property, over the fiscal tax year during the entire Term

5 Indemnification, Bodily Injury and Property Insurance Buyer agrees to and shall defend, indemnify and hold harmless City and each of its officers, employees, contractors and agents from and against all claims, liability, loss, damage, costs or expenses (including reasonable attorneys' fees and court costs) ("Claims") arising from or as a result of the death of any person or any accident, injury loss or damage whatsoever caused to any person or to the property of any person which shall occur on or adjacent to the Property, or otherwise in connection with the activities of Buyer, its officers, employees, contractors or agents or these Public Parking Covenants and which shall be directly or indirectly caused by any acts done or any errors or omissions of Buyer or its agents, servants, employees or contractors The foregoing indemnification shall not apply to any Claims which are the result of City or any of its respective officers, employees, contractors and agents sole negligence or willful misconduct

The indemnities provided in this section for shall survive the Term of these Public Parking Covenants

Notwithstanding any provision to the contrary contained herein, Buyer, throughout the Term of these Public Parking Covenants shall maintain, at its own cost and expense and furnish or cause to be furnished to City, evidence of the following policies of insurance described below

a Property Insurance The Buyer shall at all applicable times during the Term of these Public Parking Covenants maintain or cause to be maintained in full force and effect "all risk" property insurance in amounts at least equal to one hundred percent (100%) of the full replacement cost of all buildings and improvements on the Property, including, but not limited to the Parking Structure, and all personal property owned by Buyer (collectively, 'Insured Property') under a "special causes of loss form", with coverage for the following perils: loss or damage by fire, windstorm, cyclone, tornado, hail, explosion, riot, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, vehicle, smoke damage, and sprinkler leakage and such other perils commonly covered by such form. Such insurance shall be carried with an insurance company or companies that conform to the requirements of Subsection d below. Such policy shall contain a provision that the same may not be canceled without at least thirty (30) days prior written notice being given by the Buyer to City.

b General Liability Insurance The Buyer shall at all applicable times during the Term of these Public Parking Covenants, maintain or cause to be maintained, in full force and effect, commercial general liability insurance covering the Property and all improvements, including but not limited to the Parking Structure, with coverage on an "occurrence" form, issued by an insurance company or companies that conform with the requirements set forth below, including coverage for any accident, resulting in bodily injury to or death of any person and consequential damages arising therefrom and property damage, resulting directly or indirectly from any acts or activities of the Buyer or its subleases, or any person acting for Buyer, or under its respective control or direction, or in connection with the operation of the Property, with limits of not less than Five Million Dollars (\$5,000,000) per occurrence, and contractual liability insurance with limits of not less than Five Million Dollars (\$5,000,000) per occurrence, and business automobile liability coverage for any Buyer owned, hired and non owned vehicles with combined single limits of not less than Five Million Dollars (\$5,000,000) per accident. Such general liability insurance shall also provide for and protect Buyer against incurring any legal cost in defending claims for alleged loss. The foregoing policies of insurance may be maintained in part by the Buyer under an excess or umbrella policy. The Buyer upon request shall furnish to City, on or before the effective date of any such policy, evidence that the insurance referred to in this Subsection is in force and effect and that the premiums therefor have been paid. Such insurance shall name City as an additional named insured thereunder and shall provide that the same may not be canceled without at least thirty (30) days prior written notice being given by the insurer to City. The Buyer shall furnish to City copies of the additional insured endorsement(s).

c Workers' Compensation Insurance Buyer shall maintain or cause to be maintained workers' compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the workers' compensation laws now in force in California, or any laws hereafter enacted as an amendment or supplement thereto or in lieu thereof. Such workers' compensation insurance shall cover all persons employed by Buyer in connection with the Property and shall cover liability within statutory limits for compensation under any such act aforesaid, based upon death or bodily injury claims made by, for or on behalf of any person incurring or suffering injury or death in connection with the Property or the operation thereof by Buyer. Notwithstanding the foregoing, Buyer may, in

compliance with the laws of the State of California and in lieu of maintaining such insurance, self-insure for workers' compensation in which event Buyer shall deliver to City evidence that such self-insurance has been approved by the appropriate State authorities

d Form of Policies All policies or certificates of insurance shall provide that such policies shall not be canceled reduced in coverage or limited in any manner without at least thirty (30) days prior written notice to City All liability insurance policies shall name the City as an additional named insured, and/or loss payable party as its interest may appear

All insurance provided under this Section 5 shall be for the benefit of Buyer and City Buyer agrees to timely pay all premiums for such insurance and, at its sole cost and expense to comply and secure compliance with all insurance requirements necessary for the maintenance of such insurance Buyer agrees to submit binders or certificates evidencing such insurance to City prior to the execution of these Public Parking Covenants Within thirty (30) days, if practicable, but in any event prior to expiration of any such policy copies of renewal policies or certificates evidencing the existence thereof, shall be submitted to City All insurance herein provided for under this Section shall be provided by insurers licensed to do business in the State of California and rated A-VII or better

If Buyer fails or refuses to procure or maintain insurance as required by these Public Parking Covenants City shall have the right, at City's election, and upon ten (10) days prior notice to Buyer, to procure and maintain such insurance The premiums paid by City shall be treated as a loan, due from Buyer, to be paid on the first day of the month following the date on which the premiums were paid City shall give prompt notice of the payment of such premiums, stating the amounts paid and the name of the insured(s)

6 Damage Reconstruction

a If any damage to, or destruction of the Property, including, but not limited to, any other building or structure on the Property (collectively referred to in this Subsection 6 as "Improvements") occurs and is the result of fire or other peril to be covered by the extended coverage insurance required by these Public Parking Covenants Buyer, its successors and assigns, shall restore the Improvements to Operating Condition, at Buyer's sole cost and expense and these Public Parking Covenants shall remain in full force and effect All insurance proceeds received with respect to such damage or destruction and all deductible amounts paid by Buyer with respect to such damage or destruction shall be applied by Buyer, to the extent necessary to restore the Improvements to Operating Condition Buyer shall cause the restoration to be undertaken and completed with reasonable promptness In lieu of Buyer restoring the Improvements to Operating Condition Buyer may, with the prior written approval of City demolish all Improvements (or the damaged or destroyed portions thereof) such that damage or destruction (i) does not cause a dangerous condition to exist on Property, and (ii) allows parking on the surface of the Property for two hundred and forty two (242) Public Parking Spaces

Notwithstanding anything to the contrary, in any mortgage, no insurance proceeds or deductible amounts payable in respect of the damage to, or destruction of the Improvements shall be applied to prepay the loans made by or on behalf of such mortgagee The provisions of this Section 6 a are subject to the provisions of Subsection b below

b Failure by Buyer to obtain insurance as and to the extent required by these Public Parking Covenants such that insurance proceeds are not received by Buyer that otherwise would have been received had Buyer maintained the required insurance shall not relieve Buyer from its obligations to repair or reconstruct the Improvements as provided in Section 6 a above up to an amount of insurance proceeds that would have been received had such insurance been maintained

7 Default City, its successors and assigns, shall have the right, in the event of any breach of any such agreement or covenant contained herein, to exercise all the rights and remedies, and to maintain any actions at law or suit of equity or other proper proceedings to enforce the curing of such breach of agreement or covenant

Prior to exercising any remedies hereunder, City shall give Buyer notice describing the default. If the default is reasonably capable of being cured within thirty (30) days, Buyer shall have such period to effect a cure prior to exercise of remedies by City. If the default is such that it is not reasonably capable of being cured within thirty (30) days, and Buyer (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Buyer shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by City.

If a violation of any of the covenants or provisions of this Agreement remains uncured after the respective time period set forth above, City and its successors and assigns, without regard to whether City and its successors and assigns is an owner of any land or interest therein to which these covenants relate, may institute and prosecute any proceedings at law or in equity to abate, prevent or enjoin any such violation or attempted violation or to compel specific performance by Buyer of its obligations hereunder, or enforce any legal or equitable remedy available under applicable laws. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recover for the continuation or repetition of such breach or violations or any similar breach or violation hereof at any later time.

8 Eminent Domain If any or a portion of the Property is taken or sold under such threat such that the commercial use of the Property is no longer reasonably viable, either City or Buyer may terminate these Public Parking Covenants as of the date that the condemning authority takes possession by delivery of written notice of such election within thirty (30) days after such party has been notified of the taking or, in the absence thereof, within thirty (30) days after the condemning authority shall have taken possession. If these Public Parking Covenants are not terminated by City or Buyer, it shall remain in full force and effect as to the portion of the Property remaining. Except as provided above, all awards for the taking of any part of the Property or proceeds from the sale made under the threat of the exercise of the power of eminent domain shall be paid directly to Buyer.

9 Hazardous Material

a For purposes of these Public Parking Covenants, the term "Hazardous Materials" shall mean and include the following:

- (1) A "Hazardous Substance", "Hazardous Material", "Hazardous Waste",

or "Toxic Substance" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 42 U S C § 9601, et seq the Hazardous Materials Transportation Act, 49 U S C § 5101, et seq , or the Resource Conservation and Recovery Act 42 U S C § 6901 et seq

(2) An "Extremely Hazardous Waste", a "Hazardous Waste", or a "Restricted Hazardous Waste" under §§ 25115, 25117 or 25122.7 of the California Health and Safety Code, or is listed or identified pursuant to §§ 25140 or 44321 of the California Health and Safety Code,

(3) A "Hazardous Material", "Hazardous Substance", "Hazardous Waste", "Toxic Air Contaminant", or "Medical Waste" under §§ 25281, 25316, 25501, 25501.1, 117690 or 39655 of the California Health and Safety Code,

(4) "Oil" or a "Hazardous Substance" listed or identified pursuant to § 311 of the Federal Water Pollution Control Act, 33 U S C § 1321, as well as any other hydrocarbon substance or by product,

(5) Listed or defined as a "Hazardous Waste", "Extremely Hazardous Waste", or an "Acutely Hazardous Waste" pursuant to Chapter 11 of Title 22 of the California Code of Regulations,

(6) Listed by the State of California as a chemical known by the State to cause cancer or reproductive toxicity pursuant to § 25249.9(a) of the California Health and Safety Code

(7) A material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, damages or threatens to damage health, safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or public agency requires in order for the property to be put to any lawful purpose,

(8) Any material whose presence would require remediation pursuant to the guidelines set forth in the State of California Leaking Underground Fuel Tank Field Manual, whether or not the presence of such material resulted from a leaking underground fuel tank,

(9) Pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act 7 U S C § 136 et seq

(10) Asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act 15 U S C § 2601 et seq ,

(11) Any radioactive material including, without limitation any "source material", "special nuclear material", "by product material", "low-level wastes", "high-level radioactive waste", "spent nuclear fuel" or "transuranic waste", and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act 42 U S C " 2011 et seq , the Nuclear Waste Policy Act, 42 U S C § 10101 et seq , or pursuant to the California Radiation Control Law, California Health and Safety Code § 114960 et seq

(12) Regulated under the Occupational Safety and Health Act 29 U S C “651 et seq , or the California Occupational Safety and Health Act California Labor Code § 6300 et seq and/or

(13) Regulated under the Clean Air Act, 42 U S C § 7401 et seq or pursuant to Division 26 of the California Health and Safety Code

b The term “Pre-existing Site Conditions” shall mean the existence, release, presence or disposal on in, under, about or adjacent to the Property of any Hazardous Materials which occurred before the delivery of possession of the Property to the Buyer

c Buyer shall not, except in compliance with law

(1) Make, or permit to be made, any use of the Property, or any portion thereof, which emits, or permits the emission of dust, sweepings, dirt, cinders, fumes, or odors into the atmosphere, the ground, or any body of water, whether natural or artificial, in violation of applicable law, or

(2) Discharge, leak, or emit, or permit to be discharged, leaked or emitted, any liquid, solid, or gaseous matter, or any combination thereof, into the atmosphere, the ground, or any body of water, in violation of applicable law

(3) Use store or dispose of any Hazardous Materials on the Property

d Notwithstanding the termination of these Public Parking Covenants, Buyer s obligations and liabilities under this Section shall continue so long as these Public Parking Covenants remain in effect, provided, however, that nothing contained in this provision is intended to or shall have the effect of relieving any party of liability under any applicable statutory or common law

10 Sale or Transfer of Property By Buyer During the Term of these Public Parking Covenants Buyer shall not sell, exchange or transfer its interest in the Property and these Public Parking Covenants to a new party without the prior written approval of City Such approval shall not be unreasonably denied or delayed by City In the event of a permitted sale exchange or transfer the successor in interest will be required to sign an acknowledgement agreeing to be bound by all the terms and conditions of these Public Parking Covenants and all documents related to these Public Parking Covenants prior to the transfer of the rights and obligations hereunder becoming effective

Subsequent to the expiration of the Term Buyer has the right, in its sole and absolute discretion to sell, exchange or transfer its interest in the Property and these Public Parking Covenants to a new party If Buyer sells, exchanges, or transfers Buyer’s interest in the Property and these Public Parking Covenants during the Term hereof with City’s approval, Buyer shall be and is hereby entirely freed and relieved of all liability toward City and City s successors and assigns under any and all of its covenants and obligations contained in or derived from these Public Parking Covenants arising out of any act, occurrence or omission relating to the Property and these Public Parking Covenants occurring after the consummation of such sale , exchange or transfer The assignment of Buyer’s interest in the Property and these Public Parking Covenants shall occur by

means of an assignment and assumption agreement (conforming in form and substance to Exhibit 'C') (the "Assignment and Assumption Agreement") Such purchaser or assignee shall expressly assume said covenants and obligations of Buyer under these Public Parking Covenants

11 Obligation to Refrain from Discrimination Buyer covenants and agrees for itself, its successors, assigns and every successor in interest to the Property or any part thereof 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 Property, nor shall Buyer itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number use or occupancy of tenants, lessees, subtenants sublessees, or vendees of the Property

12 Form of Nondiscrimination and Nonsegregation Clauses Buyer shall refrain from restricting the sale, lease, sublease, rental, transfer, use, occupancy, tenure or enjoyment of the Property (or any part thereof) on the basis of sex marital status, race, color, religion creed, ancestry disability or national origin of any person All such deeds, leases or contracts pertaining thereto shall contain or be subject to substantially the following nondiscrimination or nonsegregation clause

a In deeds "The grantee herein covenants by and for themselves their successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any, person or group of persons on account of 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, not shall the grantee or any person claiming under or through them, 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 covenant shall run with the land

b In leases "The lessee herein covenants by and for themselves, their successors and assigns and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions That there shall be no discrimination against or segregation of any person or group of persons on account of sex martial status, race color, religion creed, national origin, disability or ancestry in the leasing subleasing renting, transferring use occupancy, tenure or enjoyment of the land herein leased, nor shall lessee themselves or any person claiming under or through them establish or permit such practice or practices of discrimination or segregation with reference to the selection, location number or occupancy of tenants, lessees sublessees tenants or vendees in the land herein leased "

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

13 Effect and Duration of Covenant Every covenant and condition and restriction contained in these Public Parking Covenants, shall run with the land and remain in effect for the longest feasible time but not more than 10 years commencing on the date on which these Public Parking Covenants have been recorded in the Official Records of Los Angeles County The nondiscrimination covenants shall remain in effect in perpetuity

14 GENERAL PROVISIONS

a Waivers and Approvals The waiver by either party of any term, covenant, or condition herein contained shall not be a waiver of such term, covenant, or condition on any subsequent breach Any approval required hereunder shall not be unreasonably delayed or denied If any such requested approval is denied, the disapproving party shall set forth its reasons for any such denial in writing

b Notices Formal notices, demands and communications between City and Buyer shall be deemed sufficiently given if dispatched by first class mail, registered or certified mail, postage prepaid, return receipt requested, or by electronic facsimile transmission followed by delivery of a "hard" copy, or by personal delivery (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U S Postal Service), to the addresses of City and Buyer as set forth herein Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail Any notice that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission, provided that if such transmission is delivered after 5 00 p m , notice shall be deemed given on the next business day, any notice that is personally delivered (including by means of professional messenger service courier service such as United Parcel Service or Federal Express, or by U S Postal Service), shall be deemed received on the documented date of receipt, and any notice that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received on the date of receipt thereof The addresses for the giving of notices hereunder are as follows

The City of Culver City
9770 Culver Boulevard
Culver City, CA 90232
Attention

Conjunctive Points Warner Development LLLP
3528 Hayden Avenue
Culver City, CA 90232

Copy to Edward W Wachtel Esq
 Goodson Wachtel and Petruilis a Professional Corporation
 10940 Wilshire Boulevard, Suite 1400
 Los Angeles CA 90025

c Time is of the Essence Time is of the essence of this Public Parking Covenants and each and all of its provisions in which performance is a factor

d Binding on Successors and Assigns All terms, provisions promises, conditions, covenants and restrictions contained in these Public Parking Covenants shall be covenants running with the land and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit and in favor of and enforceable by City, its respective heirs, legal representatives, successors and assigns against Buyer, its respective heirs, legal representatives successors and assigns, to or of the Property or any portion thereof or any interest therein and any party in possession or occupancy of the Property or portion thereof City shall be deemed the beneficiary of the terms, provisions, promises, conditions, covenants and restrictions of these Public Parking Covenants in its own right and for the purpose of protecting the interests of the community The covenants, conditions, and restrictions shall run in favor of City without regard to whether the City has been, remains, or is an owner of any land or interest therein in the Property or the Project area The terms, provisions, promises, conditions, covenants and restrictions contained in these Public Parking Covenants shall not benefit nor be enforceable by any Public User or owner of any other real property within or outside The Hayden Tract or any person or entity having any interest in any such other real property

No violation or breach of the terms, provisions, promises, conditions, covenants and restrictions contained in these Public Parking Covenants shall defeat or render invalid or in any way impair the designation of Public Parking Spaces for the Public Users permitted by these Public Parking Covenants , provided, however, that any subsequent lessee or owner of the Property shall be bound by such remaining terms, provisions, promises, conditions, covenants and restrictions, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise

e Recitals, Definitions, and Declaration The Recitals, Definitions and Declarations constitute a material part of these Public Parking Covenants and are incorporated herein and to the extent necessary, required, or helpful, shall be considered in construing, interpreting or enforcing the terms of these Public Parking Covenants

f Costs of Proceedings and Attorneys' Fees If any action or proceeding is brought by either party against the other under these Public Parking Covenants against any such party whether for interpretation enforcement, recovery of possession, or otherwise, the prevailing party shall be entitled to recover all costs and expenses, including the fees of its attorney in such action or proceeding This provision shall also apply to any post judgment action by either party including without limitation efforts to enforce a judgment

g Severability Any provision of these Public Parking Covenants which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision hereof and such other provisions shall remain in full force and effect

h No Exclusive Remedies No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity

i Laws of California These Public Parking Covenants shall be governed by the

laws of the State of California Proper venue for any action shall be in Los Angeles, California

j No Partnership Nothing contained in these Public Parking Covenants shall be deemed or construed as creating a partnership, joint venture, or any other relationship between the parties, or cause City to be responsible in any way for the debts or obligations of Buyer, or any other party

k Final Agreement These Public Parking Covenants, including any document or instrument incorporated therein or herein by reference, contains a complete and final expression of the agreement between City and Buyer and there are no promises, representations, agreements, warranties or inducements either express or implied other than as are set forth in these Public Parking Covenants

Any and all previous discussions or agreements between City and Buyer with respect to the premises, whether oral or written, are superseded by these Public Parking Covenants

l Language of Agreement When the context so requires when used in these Public Parking Covenants, the masculine gender shall be deemed to include the feminine and neuter gender and the neuter gender shall be deemed to include the masculine and feminine gender When the context so requires, when used in these Public Parking Covenants, the singular shall be deemed to include the plural The term "including" shall mean "including but not limited to "

m Requirement of a Writing No amendment, change, or addition to, or waiver of termination of, these Public Parking Covenants or any part hereof shall be valid unless in writing and signed by both City and Buyer

n No Third Party Beneficiaries The parties acknowledge and agree that the provisions of these Public Parking Covenants are for the sole benefit of City, and not for the benefit, directly or indirectly, of any other person or entity, except as otherwise expressly provided herein

o Authority of Buyer The party executing these Public Parking Covenants on behalf of Buyer has full authority to do so and to bind Buyer to perform pursuant to the terms and conditions of these Public Parking Covenants

p Incorporation by Reference Each of the attachments and exhibits attached hereto is incorporated herein by this reference

q Interpretation

(1) The language in all parts of these Public Parking Covenants shall in all cases be construed simply, as a whole and in accordance with its fair meaning and not strictly for or against any party The parties hereto acknowledge and agree that these Public Parking Covenants have been prepared jointly by the parties and has been the subject of arm's length and careful negotiation, that each party has been given the opportunity to independently review this Public Parking Covenants with legal counsel, and that each party has the requisite experience and sophistication to understand, interpret, and agree to the particular language of the provisions hereof Accordingly, in the event of an ambiguity in or dispute regarding the interpretation of these Public

Parking Covenants, these Public Parking Covenants shall not be interpreted or construed against the party preparing it, and instead other rules of interpretation and construction shall be utilized

(2) If any term or provision of these Public Parking Covenants, the deletion of which would not adversely affect the receipt of any material benefit by any party hereunder shall be held by a court of competent jurisdiction to be invalid or unenforceable the remainder of these Public Parking Covenants shall not be affected thereby and each other term and provision of these Public Parking Covenants shall be valid and enforceable to the fullest extent permitted by law It is the intention of the parties hereto that in lieu of each clause or provision of these Public Parking Covenants that are illegal invalid, or unenforceable, there be added as a part of these Public Parking Covenants an enforceable clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible

(3) The captions of the articles, sections, and subsections herein are inserted solely for convenience and under no circumstances are they or any of them to be treated or construed as part of this instrument

(4) References in this instrument to these "Public Parking Covenants " means, refers to and includes this instrument as well as any riders, exhibits, addenda and attachments hereto (which are hereby incorporated herein by this reference) or other documents expressly incorporated by reference in this instrument Any references to any covenant, condition obligation and/or undertaking "herein," 'hereunder,' or "pursuant hereto" (or language of like import) shall mean refer to and include the covenants, obligations, and undertakings existing pursuant to this instrument and any riders, exhibits, addenda, and attachments or other documents affixed to or expressly incorporated by reference in this instrument

r Priority These Public Parking Covenants, and any extensions, renewals or replacements thereof, shall be superior to any mortgages, deeds of trust or similar encumbrances placed by Buyer on the Property and to any lien right, if any, of Buyer on any fixtures, equipment or other personal property of Public Users upon the Property These Public Parking Covenants may not be subordinated to any construction or development loan

s Counterparts These Public Parking Covenants may be executed by each party on a separate signature page, and when the executed signature pages are combined shall constitute one single instrument

[SIGNATURES ON FOLLOWING PAGE]

CITY OF CULVER CITY

By _____
Jerry Fulwood
Chief Administrative Officer

CONJUNCTIVE POINTS WARNER
DEVELOPMENT, LLLP, a Delaware limited
liability limited partnership

By _____
Frederick N Smith,
President of Conjunctive Points Warner
Development Inc
General Partner of Conjunctive Points
Warner Development, LLLP

EXHIBIT A"

LEGAL DESCRIPTION

All the certain real property located in the City of Culver City, County of Los Angeles, State of California, described as follows

Lots 30, 31, 32 and 33 of Tract No 13503, in the City of Culver City, as per map recorded in Book 278 pages 38 and 39 of Maps, in the office of the county recorder of said county

Except the Easterly 21 feet of said lot 33 and the Northerly 25 feet of said lots 30 31 32 and 33

APN 4205-023 901

EXHIBIT "B"

MAP OF WARNER EASEMENT

[INTENTIONALLY DELETED]

EXHIBIT "C"

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement, dated as of _____, 2006, is entered into by and between CONJUNCTIVE POINTS WARNER DEVELOPMENT, LLLP, a Delaware limited liability limited partnership (Assignor) and _____ ("Assignee"), with reference to the following facts

- A The Assignor and the City of Culver City (the "City") entered into that certain Public Parking Covenants Affecting Real Property dated as of _____, 2006 and recorded in the Office of the County Recorder for Los Angeles County as Document No _____ (the "Public Parking Covenants") The Public Parking Covenants are hereby incorporated by this reference Reference herein to the Public Parking Covenants shall include any and all attachments thereto Any capitalized term not defined herein shall have the meaning ascribed to it in the Public Parking Covenants
- B The Public Parking Covenants impose on that certain real property located in the City of Culver City, County of Los Angeles, State of California, legally described in the "Legal Description" attached hereto and incorporated herein as Exhibit "A" (the "Property"), certain limitations, restrictions, conditions and covenants preserving for ten (10) years the designation of two hundred and forty two (242) parking spaces for use by employers and tenants or prospective tenants of property owners within the Hayden Tract, their respective employees, visitors and customers (the "Public Users") and the Willows Community School, either at the Property or in a combination of spaces at the Property and Substituted Parking, pursuant to Substituted Parking Criteria, provided such spaces in total equal two hundred and forty-two (242)
- C Assignor hereby desires to assign all of its rights and delegate all of its duties under the Public Parking Covenants to Assignee and Assignee intends to assume all rights and obligations of Assignor thereunder

NOW, THEREFORE, the Assignor and Assignee hereby agree as follows

- 1 Assignor hereby assigns all of its right, title and interest in and to the Public Parking Covenants and any and all related agreements to Assignee and Assignee hereby accepts such assignment, and assumes all of the obligations of Assignor under the Public Parking Covenants and any and all related agreements and agrees to be bound thereby in accordance with the terms thereof
- 2 Assignee shall assume and perform all executory obligations of Assignor pursuant to the

Public Parking Covenants and any and all related agreements, without exception

- 3 The principal address of Assignee for purposes of the Public Parking Covenants and any and all related agreements is as follows

Att _____

- 5 This Assignment and Assumption Agreement is made for the sole benefit and protection of the parties hereto, and their successors and assigns, and no other person or persons shall have any right of action or right to rely hereon. As this Assignment and Assumption Agreement contains all the terms and conditions agreed upon between the parties, no other agreement regarding the subject matter thereof, shall be deemed to exist or bind any party unless in writing and signed by the party to be charged.
- 6 This Assignment and Assumption Agreement may be executed in several duplicate originals, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and shall become effective upon execution by the parties, as indicated by the signatures below. The signature pages of one or more counterpart copies may be removed from such counterpart copies and all attached to the same copy of this Assignment and Assumption Agreement, which, with all attached signature pages, shall be deemed to be an original agreement. When fully executed, the date of this Assignment and Assumption Agreement shall be the later of the dates indicated below.
- 7 This Assignment and Assumption Agreement shall be governed by the laws of the State of California.
- 8 If any term or provision of this Assignment and Assumption Agreement, the deletion of which would not adversely affect the receipt of any material benefit by any party hereunder, shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Assignment and Assumption Agreement shall not be affected thereby and each other term and provision of this Assignment and Assumption Agreement shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the parties hereto that in lieu of each clause or provision of this Assignment and Assumption Agreement that is illegal, invalid or unenforceable, there be added as a part of this Assignment and Assumption Agreement an enforceable clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible.

- 9 Time is expressly declared to be of the essence in this Assignment and Assumption Agreement
- 10 No provision in this Assignment and Assumption Agreement is to be interpreted for or against either party because that party or its legal representatives drafted such provision
- 11 The parties hereto hereby agree to execute such other documents and to take such other action as may be reasonably necessary to further the purposes of this Assignment and Assumption Agreement
- 12 The parties hereto further represent and declare that they carefully read this Assignment and Assumption Agreement and know the contents thereof, and that they sign the same freely and voluntarily
- 13 Each party hereto hereby represents that the person executing this Assignment and Assumption Agreement on behalf of said party has full authority to do so and to bind the party to perform pursuant to the terms and conditions of this Assignment and Assumption Agreement

[SIGNATURES ON FOLLOWING PAGE]