

MEETING DATE 04/10/2006

AGENDA ITEM Adoption of Ordinance No 2006- Approving First
Amendment to Sony Development Agreement Relating to
Property Located at 10202 Washington Boulevard

ATTACHMENTS

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Attachment No 1

ORDINANCE NO 2006-

AN ORDINANCE OF THE CITY OF CULVER CITY, CALIFORNIA,
APPROVING ADOPTING AND AUTHORIZING THE
EXECUTION OF A FIRST AMENDMENT TO DEVELOPMENT
AGREEMENT BY AND AMONG THE CITY OF CULVER CITY,
SONY PICTURES ENTERTAINMENT INC AND LOT, INC
RELATING TO REAL PROPERTY LOCATED AT 10202
WASHINGTON BOULEVARD

WHEREAS the City of Culver City ("City), Sony Pictures Entertainment
Inc (SPE) and Lot Inc (Lot) (together SPE and Lot are referred to in this Ordinance
as Sony) are parties to that certain Development Agreement dated September 15,
1993 recorded September 16 1993 as Document No 93-1803934 (the "Development
Agreement)

WHEREAS the original term of the Development Agreement was
reduced by five (5) years to September 15 2008, pursuant to the provisions of the
Development Agreement which reduction was memorialized in a 'Certification of
Reduction of Term of Development Agreement, which was recorded on April 19, 2002,
as Document No 02-0927563

WHEREAS Sony has applied to the City for City's approval of a First
Amendment to Development Agreement (the 'First Amendment'), which First
Amendment will have the effect of extending the Vesting Term (as defined in the
Development Agreement) for an additional eighteen (18) year period to September 15
2026 with a further extension of two (2) additional years if Sony commences at least
three hundred thousand (300 000) square feet of new construction at the Studio on or
before December 31 2011 A copy of the First Amendment is hereby incorporated by
reference into the provisions of this Ordinance

1 WHEREAS after due notice the City Planning Commission (the
2 Planning Commission) did conduct a duly noticed public hearing on the First
3 Amendment on March 22 2006

4 WHEREAS the Planning Commission has recommended that the City
5 Council approve the First Amendment

6 WHEREAS after due notice the City Council did conduct a public hearing
7 on the First Amendment on March 27 2006

8 WHEREAS an Initial Study has been prepared pursuant to the
9 requirements of the California Environmental Quality Act ("CEQA) The Initial Study
10 demonstrates that the First Amendment will not have a significant effect on the
11 environment that none of the elements set forth in Public Resources Code Section
12 21166 or Section 15162 of the State CEQA Guidelines (CEQA Guidelines) exists,

13 WHEREAS the City Council has determined that none of the elements
14 set forth in Public Resources Code Section 21166 or Section 15162 of the CEQA
15 Guidelines exists and therefore has determined, in accordance with Public Resources
16 Code Section 21166 and Section 15162 of the CEQA Guidelines, that no subsequent
17 or supplemental Environmental Impact Report or Mitigated Negative Declaration is
18 required prior to adopting the Ordinance approving this First Amendment
19

20 WHEREAS the City Council has reviewed and considered the First
21 Amendment and the findings and recommendations of the Planning Commission, and
22

23 WHEREAS the City Council has determined that approval of the First
24 Amendment is in the public interest, and is consistent with the City s General Plan and
25 is adequately supported by due consideration
26
27
28

1 The City Council of the City of Culver City California, DOES HEREBY
2 ORDAIN as follows

3 The City Council finds with respect to the First Amendment

4 Section 1 It is consistent with the City s General Plan,

5 Section 2 The First Amendment will not be detrimental to the public
6 health, safety and general welfare since it encourages the development of a project
7 which continues to be desirable and beneficial to the public,

8 Section 3 The First Amendment complies with all applicable State and
9 City regulations governing development agreements and amendments to development
10 agreements
11

12 Section 4 The City Council hereby approves and adopts the First
13 Amendment which is hereby incorporated by this reference as though fully set forth
14 herein

15 Section 5 The Mayor is authorized and directed to sign the First
16 Amendment in the name of the City of Culver City and, the City Council further directs
17 that the First Amendment and this Ordinance be presented to the County Recorder for
18 recordation within ten (10) days after this First Amendment becomes effective
19

20 Section 6 This Ordinance shall take effect thirty (30) days from the
21 date of its adoption and prior to the expiration of fifteen (15) days from the adoption
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1 hereof the City Clerk shall cause this Ordinance to be published in the Culver City
2 News. Additionally, the City Clerk shall post this Ordinance or a summary thereof in at
3 least three public places within the City pursuant to Section 517 of the City Charter

4 APPROVED and ADOPTED this _____ day of April, 2006
5
6
7

8 _____
9 ALBERT VERA, Mayor
10 City of Culver City, California

11 ATTEST

APPROVED AS TO FORM

12
13 _____
14 CHRISTOPHER ARMENTA
15 City Clerk
16 A06 00122
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CAROL A. SCHWAB,
City Attorney

Attachment No 2

RECORDING REQUESTED BY

SONY PICTURES ENTERTAINMENT, INC
10202 West Washington Boulevard
Culver City, CA 90232
Attention April Dmytrenko

AND WHEN RECORDED MAIL TO

COX, CASTLE & NICHOLSON LLP
2049 Century Park East, Suite 2800
Los Angeles, California 90067-3284
Attention Ronald I Silverman, Esq

Space Above This Line Is For Recorder's Use Only

**FIRST AMENDMENT TO DEVELOPMENT AGREEMENT
BY AND AMONG THE CITY OF CULVER CITY,
SONY PICTURES ENTERTAINMENT INC AND LOT, INC**

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT ("First Amendment") is entered into as of the 10th day of May, 2006 by and among the CITY OF CULVER CITY, a chartered city (the "City"), SONY PICTURES ENTERTAINMENT INC, a Delaware corporation ("SPE") and LOT, INC, a Delaware corporation ("Lot") Together, SPE and Lot are referred to in this First Amendment as "Sony "

RECITALS

A Sony and City are parties to that certain Development Agreement dated September 15, 1993, recorded September 16, 1993, as Document No 93-1803934 (the "Development Agreement")

B Unless otherwise specified herein or the context requires otherwise, capitalized terms used in this First Amendment shall have the same definitions as those set forth in the Development Agreement

C Since the Effective Date of the Development Agreement, September 15, 1993, Sony has complied with each of the terms and conditions of the Development Agreement and the terms and conditions of each of the Project Approvals

D Over the past thirteen (13) years, Sony has made a business decision to invest in improving the Property While this investment approach has limited the completion of net new development on the Property, it has resulted in important improvement projects that involve adaptive-reuse and remodeling of existing structures, upgrading infrastructure and lot

beautification. This focus has preserved many of the Property's original structures, increased the value of the Property and surrounding areas, established Sony as a state-of-the-art Studio, and enhanced Sony's business operations on the Property and in the City. Sony estimates that approximately Five Hundred Million Dollars (\$500,000,000) has been invested in adaptive-reuse and remodeling of existing structures, upgrades to existing infrastructure and lot beautification.

E The original Vesting Term of the Development Agreement was reduced by five (5) years in accordance with the provisions of Section III C of the Development Agreement and was memorialized in a "Certification of Reduction of Term of Development Agreement," which was recorded on April 19, 2002, as Document No. 02-0927563. Therefore, the Vesting Term of the Development Agreement currently expires on September 15, 2008. Having invested significant funds in adaptive reuse and remodeling of existing structures, upgrades to existing infrastructure and lot beautification, Sony currently anticipates new development on the Property in accordance with the development concepts set forth in the Development Agreement and the Project Approvals and therefore has requested the City to amend the Development Agreement to extend the Vesting Term of the Development Agreement for eighteen (18) years until September 15, 2026. In addition, Sony has requested the City to extend the Vesting Term an additional two (2) years, i.e., until September 15, 2028, if Sony commences at least three hundred thousand (300,000) square feet of "new construction" (as defined in the Development Agreement) on the Property on or before December 31, 2011.

F Under the Development Agreement, Sony was required, for a period of ten (10) years, to purchase for the Culver City Unified School District (the "District") at least Twenty-Five Thousand Dollars (\$25,000) worth of equipment and programs, as approved by the Superintendent of the District. Sony's obligation to contribute Twenty-Five Thousand Dollars (\$25,000) to the District expired in 2003. In the Spring of 2005, Sony voluntarily announced that it would renew its commitment to the District for another ten (10) years with an annual contribution of at least Twenty-Five Thousand Dollars (\$25,000). In this First Amendment, Sony desires to confirm Sony's commitment to the District (the "School District Commitment").

G In addition to the School District Commitment, Sony has agreed, for a period of ten (10) years, to contribute to the City's Unified Fund (the "Unified Fund") at least Twenty-Five Thousand Dollars (\$25,000) per year. The City's Unified Fund supports City sponsored cultural and environmental events and programs.

H On March 12, 2002, Lot acquired title from Southern California Edison to a piece of property approximately twenty thousand three hundred (20,300) square feet in size near the southwest corner of the Property (the "Edison Parcel"). City and Sony have therefore agreed to amend Exhibit "A" to the Development Agreement (the legal description of the Property) to add the Edison Parcel.

I Subject to certain exceptions set forth in the Development Agreement, the Development Agreement permits Sony to develop the Project in accordance with the Applicable Rules that were in effect on the Effective Date of the Development Agreement, September 15, 1993. In connection with the adoption of this First Amendment, the City has requested Sony to agree to an additional exception to the vesting provisions of the Development Agreement, namely, agreeing to be subject to the City's current Zoning Code, adopted October, 2005 (Title

17 of the Culver City Municipal Code) (the "2005 Zoning Code") Subject to the provisions of the Development Agreement, as amended by this First Amendment, Sony has agreed to be subject to the provisions of the 2005 Zoning Code

J Council has determined that none of the elements set forth in Public Resources Code Section 21166 or Section 15162 of the State CEQA Guidelines ("CEQA Guidelines") exists and therefore has determined, in accordance with Public Resources Code Section 21166 and Section 15162 of the CEQA Guidelines, that no subsequent or supplemental Environmental Impact Report or Mitigated Negative Declaration is required to be prepared prior to adopting the Ordinance approving this First Amendment

K On March 22, 2006, the Planning Commission held a duly noticed public hearing on this First Amendment and, at the conclusion thereof, adopted Resolution No _____, recommending to the City Council approval of this First Amendment

L Section IV L of the Development Agreement provides for amendment of the Development Agreement upon mutual consent of the parties and in accordance with the procedures established by the Development Agreement Act The Council has found that this First Amendment has been adopted in conformance with the procedures of the Development Agreement Act

M On March 27, 2006, the Council introduced Ordinance No _____ and on April 10, 2006, the Council adopted Ordinance No _____ approving this First Amendment Ordinance No _____ became effective on May 10, 2006 (the "First Amendment Effective Date")

NOW, THEREFORE, in consideration of the above recitals and the covenants hereinafter contained, the parties agree as follows

1 Extension of Vesting Term The Vesting Term of the Development Agreement is hereby extended an additional eighteen (18) years to September 15, 2026 In addition, to encourage continued development of the Project, if construction of at least three hundred thousand (300,000) square feet of 'new construction' (as defined in the Development Agreement) is commenced by December 31, 2011, the Vesting Term shall be increased by an additional two (2) years to September 15, 2028

2 School District Commitment Annually, on or before July 1 of each year following the First Amendment Effective Date, for a period of ten (10) years, Sony agrees to purchase for the District at least Twenty-Five Thousand Dollars (\$25,000) worth of equipment and programs, as approved by the Superintendent of the District

3 Unified Fund Commitment Annually, on or before July 1 of each year following the First Amendment Effective Date, for a period of ten (10) years, Sony agrees to contribute at least Twenty-Five Thousand Dollars (\$25,000) to the Unified Fund

4 2005 Zoning Code

a Sony's Agreement to be Bound by 2005 Zoning Code Notwithstanding the vesting provisions of the Development Agreement and subject to the provisions of the "ZC Review" set forth in Section 4 b below, Sony hereby agrees to be bound by the provisions of the 2005 Zoning Code. In addition, the 2005 Zoning Code shall constitute a part of the Applicable Rules and shall vest as of the First Amendment Effective Date so that no change in the 2005 Zoning Code following the First Amendment Effective Date shall be applied by the City to the Project unless the City determines that the failure to apply such change would place the residents of the City in a condition dangerous to their health or safety, or both.

b Zoning Code Review Notwithstanding Sony's agreement to be bound by the terms of the 2005 Zoning Code, Sony has requested and the City has agreed that Sony shall have a period of two (2) months following the First Amendment Effective Date in which to review the 2005 Zoning Code in order for Sony to determine whether there are any provisions in the 2005 Zoning Code that would have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals (the "ZC Review Period"). If, during the ZC Review Period, Sony identifies one or more provisions in the 2005 Zoning Code that, in Sony's opinion, could have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals ("Adverse Provision(s)"), then Sony shall notify the City of the Adverse Provision(s) and the City shall have a period of ten (10) days in which to review the Adverse Provision(s) identified by Sony and to advise Sony if the City agrees or disagrees that the Adverse Provision(s) identified by Sony would have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals. If the City fails to respond to Sony within such ten (10) day period, the City shall be deemed to have disagreed that the Adverse Provision(s) identified by Sony would have a material adverse effect on Sony's ability to develop the Project. If, during the ten (10) day period, the City agrees that the Adverse Provision(s) identified by Sony would have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals, then Sony and the City shall execute an Operating Memorandum in accordance with the provisions of Section IV M of the Development Agreement confirming those Adverse Provision(s) that shall not be an Applicable Rule and shall not be applicable to the Project. If the City notifies Sony within such ten (10) day period that it disagrees or is deemed to have disagreed with Sony that one or more Adverse Provision(s) would have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals, then the Adverse Provision(s) about which Sony and the City disagree or are deemed to have disagreed shall be submitted to a reference procedure in accordance with the provisions of Section IV D 3 of the Development Agreement. If Sony fails to notify the City within the ZC Review Period of any Adverse Provision(s), then Sony shall be deemed to have agreed to be bound by the provisions of the 2005 Zoning Code.

5 Revised Municipal Code References On July 24, 2000, the City Council adopted an ordinance to recodify and renumber titles, chapters and sections of the Culver City Municipal Code. Therefore, wherever the Development Agreement refers to a title, chapter or section number of the Culver City Municipal Code it shall be deemed to be a reference to the recodified/renumbered applicable title, chapter or section and any future recodified/renumbered applicable title, chapter or section of the Municipal Code applicable, provided, however, nothing in this Section 5 shall affect the vesting provisions of the Development Agreement, as amended.

by this First Amendment, including, without limitation, Sections III B 1 and 2 of the Development Agreement

6 Revision to Legal Description of the Property In order to add the Edison Parcel, Exhibit "A" to the Development Agreement is hereby amended in its entirety as more particularly set forth on Exhibit "A" attached hereto The Edison Parcel shall constitute a part of Comprehensive Plan Design Area 4

7 Inconsistencies The Development Agreement is hereby amended to add a new Section IV Y to read as follows

"Y Inconsistencies

In the event of any inconsistency between an Applicable Rule and a Project Approval, the provisions of the Project Approval shall control In the event of any inconsistency between the provisions of any Applicable Rule, a Project Approval and the provisions of this Development Agreement, as amended by this First Amendment, the provisions of this Development Agreement, as amended by this First Amendment, shall control "

8 No Other Revisions to Development Agreement Except as set forth herein, all terms and conditions of the Development Agreement shall remain in full force and effect

9 First Amendment Effective Date This First Amendment shall become effective on the First Amendment Effective Date

IN WITNESS WHEREOF, this First Amendment has been executed by the parties on the day and year first written above

SONY PICTURES ENTERTAINMENT INC , a
Delaware corporation

Date _____, 2006

By _____
Its Leah Weil
Senior Vice President, General Counsel
and Assistant Secretary

LOT, INC , a Delaware corporation

Date _____, 2006

By _____
Its _____

Date _____, 2006

By _____

Its _____

CITY OF CULVER CITY

Date _____, 2006

By _____

_____, Mayor

APPROVED AS TO FORM

Carol A Schwab, City Attorney

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On March __, 2006 before me, _____(here insert name of the officer),
Notary Public, personally appeared _____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument

WITNESS my hand and official seal

Notary Public

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On March __, 2006 before me, _____(here insert name of the officer),
Notary Public, personally appeared _____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument

WITNESS my hand and official seal

Notary Public

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On March __, 2006 before me, _____(here insert name of the officer),
Notary Public, personally appeared _____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument

WITNESS my hand and official seal

Notary Public

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On March __, 2006 before me, _____(here insert name of the officer),
Notary Public, personally appeared _____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument

WITNESS my hand and official seal

Notary Public

EXHIBIT A

THE LAND REFERRED TO IN THIS EXHIBIT IS DESCRIBED AS FOLLOWS

PARCEL A

PARCEL 1

THAT PORTION OF THE 819 63 ACRE TRACT, RANCHO LA BALLONA, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ALLOTTED TO MACEDONIA AGUILAR, BY FINAL DECREE OF PARTITION HAD IN CASE NO 965 OF THE DISTRICT COURT OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT THE INTERSECTION OF THE NORTHEAST LINE OF OVERLAND AVENUE (FORMERLY FIRST STREET OR SAN PEDRO ROAD) WITH THE SOUTHEAST LINE OF WASHINGTON STREET (FORMERLY BALLONA ROAD NO 2), THENCE SOUTHEASTERLY ALONG THE NORTHEAST LINE OF SAID OVERLAND AVENUE, 1118 29 FEET, MORE OR LESS, TO A POINT DISTANT NORTHWESTERLY 210 FEET, MEASURED ALONG SAID NORTHEAST LINE FROM THE NORTHWEST LINE OF THE RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY (DEL REY BRANCH) AS DESCRIBED IN DEED RECORDED IN BOOK 1684 PAGE 159 OF DEEDS, THENCE NORTHEASTERLY IN A DIRECT LINE 546 90 FEET, MORE OR LESS, TO A POINT IN THE SOUTHWEST LINE OF THE LAND CONVEYED TO LOS ANGELES TRUST & SAVINGS BANK, BY DEED RECORDED IN BOOK 6578 PAGE 31 OF SAID DEED RECORDS, DISTANT NORTHWESTERLY ALONG SAID SOUTHWEST LINE, 111 33 FEET FROM SAID NORTHWEST LINE OF THE RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY, THENCE SOUTHEASTERLY ALONG SAID SOUTHWEST LINE 111 33 FEET TO THE NORTHWEST LINE OF SAID RIGHT-OF-WAY, THENCE NORTHEASTERLY ALONG SAID RIGHT-OF-WAY LINE, 1422 44 FEET, MORE OR LESS, TO THE SOUTHWEST LINE OF THE 150 ACRE TRACT OF LAND DESCRIBED IN DEED TO VICTOR PONET, RECORDED IN BOOK 150 PAGE 403 OF SAID DEED RECORDS, THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF THE LAND OF PONET, 631 13 FEET TO SAID SOUTHEASTERLY LINE OF WASHINGTON STREET, THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF WASHINGTON STREET TO THE POINT OF BEGINNING

PARCEL 2

LOTS 1 THROUGH 15, INCLUSIVE, IN BLOCK 2 AND LOTS 2 THROUGH 16, INCLUSIVE, IN BLOCK 3 IN TRACT NO 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER

MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

PARCEL 3

GRANT AVENUE AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THAT PORTION OF SAID GRANT AVENUE WHICH WOULD PASS WITHIN A CONVEYANCE OF LOT 1, BLOCK 3 OF SAID TRACT NO 1775

PARCEL 4

THAT PORTION OF PUTNAM AVENUE, NOW KNOWN AS CULVER BOULEVARD, 40 00 FEET WIDE, LYING NORTHWESTERLY OF THE PACIFIC ELECTRIC RAILWAY, 60 00 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED SOUTHWESTERLY BY THE SOUTHWESTERLY BOUNDARY LINE OF SAID TRACT 1775 AND BOUNDED NORTHEASTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF LOT 16 IN BLOCK 3 OF SAID TRACT 1775

PARCEL 5

THAT PORTION OF THAT CERTAIN 60-FOOT STRIP OF LAND IN THE RANCHO LA BALLONA IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 3 PAGES 204 TO 209 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED IN DEED TO THE LOS ANGELES HERMOSA BEACH AND REDONDO RAILWAY COMPANY, RECORDED ON AUGUST 7, 1902 IN BOOK 1630 PAGE 26 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, A PORTION OF CULVER BOULEVARD FORMERLY PUTNAM AVENUE (NORTH ROADWAY) 40 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO 1775, RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS OF SAID COUNTY AND A PORTION OF MADISON AVENUE, 100 FEET WIDE, AS SHOWN ON THE MAP OF SAID TRACT NO 1775 ALL OF WHICH WERE VACATED AND ABANDONED BY RESOLUTION NO 83-R138 OF THE CITY COUNCIL OF THE CITY OF CULVER CITY, A CERTIFIED COPY OF WHICH WAS RECORDED ON OCTOBER 27, 1983 AS DOCUMENT NO 83-1271984 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS

BEGINNING AT THE MOST EASTERLY CORNER OF LOT 16 IN BLOCK 3 OF SAID TRACT NO 1775, THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 16 TO AND ALONG THE NORTHEASTERLY LINE OF LOT 1 IN SAID BLOCK 3, NORTH 35 DEGREES 29 MINUTES 00 SECONDS WEST 149 58 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 960 00 FEET, THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09 DEGREES 40 MINUTES 08 SECONDS, AN ARC DISTANCE OF 162 01 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 25 00 FEET THROUGH WHICH A RADIAL LINE BEARS NORTH 44 DEGREES 50 MINUTES 52 SECONDS EAST, THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 79 DEGREES 11 MINUTES 27 SECONDS, AN ARC DISTANCE OF 34 55 FEET, THENCE SOUTH 34 DEGREES 02 MINUTES 19 SECONDS WEST 72 65 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 191 24 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 27 MINUTES 44 SECONDS, AN ARC DISTANCE OF 31 58 FEET, THENCE NORTH 24 DEGREES 34 MINUTES 35 SECONDS WEST 30 83 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 171 24 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 27 MINUTES 44 SECONDS AN ARC DISTANCE OF 28 28 FEET, THENCE SOUTH 34 DEGREES 02 MINUTES 19 SECONDS WEST 18 63 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 1647 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4 DEGREES 59 MINUTES 40 SECONDS, AN ARC DISTANCE OF 143 57 FEET,

THENCE SOUTH 29 DEGREES 02 MINUTES 39 SECONDS WEST 74 38 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 1552 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4 DEGREES 53 MINUTES 42 SECONDS, AN ARC DISTANCE OF 123 59 FEET TO A POINT OF INTERSECTION WITH A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 100 00 FEET TO WHICH POINT A RADIAL LINE OF SAID 100 00-FOOT-RADIUS CURVE BEARS SOUTH 60 DEGREES 57 MINUTES 28 SECONDS EAST, SAID 100 00-FOOT-RADIUS CURVE BEING A COURSE IN THE NORTHWESTERLY BOUNDARY OF PARCEL 6-5 IN DEED RECORDED MARCH 4, 1964 AS INSTRUMENT NO 4596, THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12 DEGREES 39 MINUTES 36 SECONDS, AN ARC DISTANCE OF 22 10 FEET, THENCE CONTINUING ALONG SAID NORTHWESTERLY BOUNDARY OF PARCEL 6-5 NORTH 16 DEGREES 22 MINUTES 56 SECONDS EAST 66 89 FEET TO THE INTERSECTION OF THE NORTHWESTERLY LINE OF HEREINBEFORE-MENTIONED 60-FOOT-WIDE STRIP OF LAND WITH THE SOUTHWESTERLY LINE OF SAID TRACT 1775, THENCE ALONG THE SOUTHEASTERLY LINE OF A 1 25-FOOT-WIDE STRIP AS VACATED BY THE CITY OF CULVER CITY BY ORDINANCE NO 253, PASSED AND APPROVED OCTOBER 10, 1927 AND PURSUANT TO RESOLUTION NO 1887, ADOPTED

MAY 6, 1929 NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 1 31 FEET TO THE NORTHEASTERLY LINE OF SAID 1 25-FOOT-WIDE STRIP, THENCE ALONG SAID NORTHEASTERLY LINE NORTH 38 DEGREES 36 MINUTES 46 SECONDS WEST 31 43 FEET TO THE SOUTHEASTERLY LINE OF THAT PORTION OF CULVER BOULEVARD AS VACATED BY THE CITY OF CULVER CITY BY ORDINANCE NO 465, APPROVED AND ADOPTED JUNE 28, 1937, THENCE ALONG LAST SAID SOUTHEASTERLY LINE NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 30 12 FEET TO THE NORTHEASTERLY LINE OF SAID PORTION OF CULVER BOULEVARD, THENCE ALONG LAST SAID NORTHEASTERLY LINE NORTH 38 DEGREES 36 MINUTES 46 SECONDS WEST 10 48 FEET TO THE SOUTHEASTERLY LINE OF LOT 9, BLOCK 3 OF SAID TRACT NO 1775, THENCE ALONG LAST SAID SOUTHEASTERLY LINE AND THE SOUTHEASTERLY LINE OF LOTS 10 THROUGH 16 INCLUSIVE, OF SAID BLOCK 3, TRACT NO 1775 NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 417 76 FEET TO THE POINT OF BEGINNING

EXCEPT THAT PORTION OF SAID LAND LYING SOUTHWESTERLY OF A STRAIGHT LINE DRAWN PERPENDICULAR TO THE NORTHWESTERLY LINE OF THE HEREINABOVE UNRECORDED 60 FOOT WIDE STRIP OF LAND AND WHICH PASSES THROUGH THE INTERSECTION OF SAID NORTHWESTERLY LINE WITH THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF SAID TRACT NO 1775

ALSO EXCEPT THAT PORTION OF SAID LAND DESCRIBED AS FOLLOWS

THAT PORTION OF PUTNAM AVENUE, NOW KNOWN AS CULVER BOULEVARD, 40 00 FEET WIDE, LYING NORTHWESTERLY OF THE PACIFIC ELECTRIC RAILWAY, 60 00 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED SOUTHWESTERLY BY THE SOUTHWESTERLY BOUNDARY LINE OF SAID TRACT 1775 AND BOUNDED NORTHEASTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF LOT 16 IN BLOCK 3 OF SAID TRACT 1775

ALSO EXCEPT THAT PORTION OF SAID LAND LYING NORTHWESTERLY OF A LINE DRAWN PERPENDICULAR TO THE NORTHEASTERLY LINE OF LOT 1 IN BLOCK 3 OF TRACT NO 1775 AND WHICH PASSES THROUGH THE MOST EASTERLY CORNER OF SAID LOT 1

PARCEL B

THE LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND DESCRIBED AS FOLLOWS

LOT 1 IN BLOCK 3 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THEREFROM THAT PORTION OF LOT 1 IN BLOCK 3, AS SHOWN ON TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 1 IN BLOCK 3 OF SAID TRACT 1775, SAID POINT BEING ALSO THE INTERSECTION OF THE SOUTHEAST PROPERTY LINE OF GRANT AVENUE, SIXTY FEET WIDE AND THE SOUTHWEST PROPERTY LINE OF MADISON AVENUE, ONE HUNDRED FEET WIDE ON SAID TRACT 1775, THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 35 DEGREES 29 MINUTES 00 SECONDS EAST 14 42 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 10 00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 110 DEGREES 32 MINUTES 7 SECONDS AN ARC DISTANCE OF 19 29 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 1, THENCE ALONG SAID NORTHWESTERLY LINE NORTH 33 DEGREES 58 MINUTES 53 SECONDS EAST 14 42 FEET TO THE POINT OF BEGINNING

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT THE RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY SMITH AND SALSURY IN DEED RECORDED APRIL 27, 1984 AS INSTRUMENT NO 84-510558

PARCEL C

PARCEL 1

THAT PORTION OF GRANT AVENUE AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS FOLLOWS

ON THE SOUTHEAST BY THE NORTHWEST LINE OF LOT 1, BLOCK 3 OF SAID TRACT 1775, ON THE NORTHWEST AND NORTHEAST RESPECTIVELY BY THE SOUTHEASTERLY LINE OF BLOCK 2 AND SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF BLOCK 2 OF SAID TRACT 1775, AND ON THE SOUTHWEST BY THE NORTHWESTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF LOT 1 OF BLOCK 3 OF SAID TRACT 1775, AS DESCRIBED AND SHOWN ON EXHIBIT "A" TO RESOLUTION NO CS-6468 RECORDED SEPTEMBER 18, 1970 AS INSTRUMENT NO 3468

PARCEL 2

THAT PORTION OF LOT 1 IN BLOCK 3, AS SHOWN ON TRACT 1775, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 1 IN BLOCK 3 OF SAID TRACT 1775, SAID POINT BEING ALSO THE INTERSECTION OF THE SOUTHEAST PROPERLY LINE OF GRANT AVENUE, 60 00 FEET WIDE AND THE SOUTHWEST PROPERLY LINE OF MADISON AVENUE, 100 00 FEET WIDE, ON SAID TRACT 1775, THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, 14 42 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 10 00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 110 DEGREES 32 MINUTES 7 SECONDS AN ARC DISTANCE OF 19 29 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 1, THENCE ALONG SAID NORTHWESTERLY LINE 14 42 FEET TO THE POINT OF BEGINNING

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF THE LEGAL DESCRIPTION BY REFERENCE HEREIN

~~EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND~~
UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT THE
RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY
OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE

THEREOF, AS RESERVED BY SMITH AND SALSURY, IN DEED RECORDED
APRIL 27, 1984 AS INSTRUMENT NO 84-510-558

PARCEL D

THE LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND DESCRIBED AS FOLLOWS

THAT PORTION OF RANCHO LA BALLONA, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON CLERK'S FILED MAP NO 16, ON FILE IN THE OFFICE OF COUNTY ENGINEER OF SAID COUNTY, AS DESCRIBED IN THE DEEDS TO THE LOS ANGELES HERMOSA BEACH & REDONDO RAILWAY COMPANY, A CORPORATION, RECORDED AUGUST 14, 1902, IN BOOK 1605 PAGE 299 OF DEEDS AND RECORDED NOVEMBER 8, 1902 IN BOOK 1684 PAGE 159 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 6-4 IN THE DEED TO THE CITY OF CULVER CITY, RECORDED MARCH 4, 1964 AS INSTRUMENT NO 4429, IN BOOK D-2382 PAGE 721, OFFICIAL RECORDS OF SAID COUNTY

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND, INCLUDED WITHIN THE LAND AS DESCRIBED IN THE PARTIAL JUDGMENT AND FINAL ORDER OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO C470,345, A CERTIFIED COPY OF WHICH WAS RECORDED OCTOBER 23, 1985, AS INSTRUMENT NO 85-1252160 OF OFFICIAL RECORDS OF SAID COUNTY

PARCEL E

THAT PORTION OF THE LANDS DESCRIBED WITHIN THAT CERTAIN CORPORATION GRANT DEED FILED IN BOOK 6968, PAGE 225 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, LYING NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINE

COMMENCING AT THE INTERSECTION OF THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF OVERLAND AVENUE (FORMERLY FIRST STREET), SAID NORTHEASTERLY LINE BEING 53 00 FEET NORTHEASTERLY AND PARALLEL WITH THE CENTERLINE OF SAID OVERLAND AVENUE, AND THE NORTHWESTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY (FORMERLY PACIFIC RAILWAY, PLAYA DEL REY BRANCH), AS SHOWN ON TRACT NO 10078, FILED IN BOOK 141, PAGES 23 THROUGH 25, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY,

THENCE NORTH 34°00'30" EAST, 381 31 FEET, ALONG SAID NORTHWESTERLY LINE OF SOUTHERN PACIFIC RAILROAD RIGHT OF WAY TO

THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION, THENCE NORTH 38°40'34" WEST, 139 59 FEET, TO A POINT ON THE NORTHWESTERLY LINE OF SAID CORPORATION GRANT DEED, SAID POINT BEING SOUTH 43°55'32" WEST, 156 85 FEET, ALONG SAID NORTHWESTERLY LINE FROM THE NORTHERLY CORNER OF THE LANDS DESCRIBED WITHIN SAID CORPORATION GRANT DEED

SHOWN AS PARCEL 1 OF THAT CERTAIN LOT LINE ADJUSTMENT NO P-2001042, WHICH RECORDED MARCH 15, 2002 AS INSTRUMENT NO 02-0632134