MEETING DATE: **January 15, 2011**

AGENDA ITEM: **Approval of a Purchase Agreement to Transfer Ownership of the Cardiff Parking Structure located at 3846 Cardiff Avenue from the City of Culver City to the Culver City Redevelopment Agency.**

ATTACHMENTS

AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS FOR PROPERTY LOCATED AT 3846 CARDIFF AVENUE
(**APN:________________**)

This AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (the "Agreement") dated this _____ day of ___________ 2011, is entered into by and between the CULVER CITY REDEVELOPMENT AGENCY, a public body corporate and politic (the "Buyer") and the CITY OF CULVER CITY, a municipal corporation (the "Seller"). Buyer and Seller are each a "Party" and are collectively the "Parties."

1. Purchase and Sale. Pursuant to the terms and conditions set forth in this Agreement, Seller does hereby agree to sell to Buyer and Buyer does hereby agree to purchase from Seller the Property as hereinafter defined, on the terms and conditions hereinafter set forth, together with all Improvements as hereinafter defined.

The terms and conditions of this Agreement and the instructions to an escrow company mutually agreed upon by the parties ("Escrow Holder") with regard to the escrow ("Escrow") created pursuant hereto shall constitute the joint escrow instructions of Buyer and Seller to Escrow Holder as well as an agreement between Buyer and Seller. In the event of a conflict between the provisions of this Agreement and Escrow Holder's general escrow instructions, the provisions of this Agreement shall prevail.

2. Property. The Property to be acquired by Buyer from Seller under this Agreement consists of that certain real property located at 3846 Cardiff Avenue in the City of Culver City, California, described in the "Legal Description" attached hereto as Exhibit A and incorporated herein by this reference, shown on the "Site Map" attached hereto as Exhibit B and incorporated herein by this reference and known as APN:________________("Property"). For purposes of this Agreement, the term "Property" shall mean and include the above-referenced parcel of land, any fixtures and equipment, buildings, structures and/or improvements located on said land ("Improvements"), and all singular estates, rights, privileges, easements and appurtenances owned by Seller and belonging or in any way appertaining to the Property. Seller currently owns fee title to the Property and all of the Improvements.

3. Acquisition.

a. Purchase Price. The purchase price to be paid by Buyer to Seller for the Property and all Improvements in the form provided below, shall be Fourteen Million $14,000,000 Dollars (the "Purchase Price").

b. As-Is. The Property and all existing Improvements on the Property shall be conveyed in its present "as is" condition. Except for Seller's representations and warranties set forth in this Agreement, neither Seller nor any of Seller's agents, contractors, consultants, attorneys or representatives have made, make and specifically negate and disclaim, and Buyer is not relying on, any representations, warranties, promises, covenants, agreements or guarantees of any kind whatsoever, whether express or implied, oral or written, past, present or future with respect to the Property.

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

a. Promissory Note in Favor of Seller. Full payment of the Purchase Price ($14,000,000) shall be made at the Close of Escrow (defined below) in the form of a Promissory Note in favor of the Seller in the amount of Fourteen Million Dollars**,** payable by Buyer two years (Fiscal Year 2012-2013) after the Close of Escrow ("Note Amount"). Unpaid principal under the Promissory Note shall accrue simple interest at the rate of seven (7%) percent per annum. The Promissory Note shall be in a form and substance mutually agreed to by the parties. The Promissory Note evidencing the Note Amount shall be secured by a Deed of Trust, which Deed of Trust shall be in a form and substance approved by the parties hereto.

b. Closing Funds. Within five (5) days of written request from Escrow Holder, and in any event prior to the Close of Escrow (as defined in Paragraph 5.b. below), Buyer shall deposit or cause to be deposited with Escrow Holder, in cash or by a certified or bank cashier's check made payable to Escrow Holder or a confirmed wire transfer of funds, the Buyer's share of its Closing Costs as provided in Paragraph 10 below. All escrow, recording and title insurance costs shall be paid by Seller and Buyer in accordance with Paragraph 10 below.

5. Escrow.

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

b. Close of Escrow. The Close of Escrow shall occur on or before January 31, 2012, unless extended in writing by the parties ("Closing Date").

c. Due Diligence Period. Buyer shall have sixty (60) days from the Opening Date (the "Due Diligence Period") to inspect the Property and Due Diligence Materials. In the event Buyer finds the Property unsatisfactory for any reason, Buyer at its sole discretion shall notify Seller and Escrow Holder in writing prior to expiration of the Due Diligence Period. Thereafter, Buyer and Seller shall have no obligation to each other (except as otherwise set forth herein). In the event of a cancellation of Escrow, Buyer and Seller shall each bear one-half of any Escrow cancellation fees.

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

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

b. Exceptions which are disclosed by the Preliminary Title Report described in Paragraph 7. a. (1) hereof and which are approved or deemed approved by Buyer in accordance with Paragraph 7. a. (2) hereof.

c. Title to the Property shall be conveyed from Seller to Buyer under this Agreement free and clear of any easement, right of way or any other right whatsoever in Seller to access or use the Property.

Seller covenants and agrees during the term of this Escrow, Seller will not cause or knowingly permit title to the Property to differ from the Approved Condition of Title described in this Paragraph 6. Any liens, encumbrances, easements, restrictions, conditions, covenants, rights, rights-of-way, or other matters affecting the Approved Condition of Title which may appear of record or be revealed after the date of the Preliminary Title Report described in Paragraph 7. a. (1) below, shall also be subject to Buyer's approval. Buyer shall have the right to disapprove such matters by delivery of written notice to Seller within five (5) days after the date Buyer receives knowledge of such matters, and Seller shall have the right to elect to cure the same, upon delivery of written notice to Buyer within five (5) days after Seller's receipt of such notification from Buyer.

7. Conditions to Close of Escrow.

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

(1) Delivery of Due Diligence Materials/Title. Within thirty (30) days of the Opening Date, Seller will deliver to Buyer copies of the following items, if and to the extent such items are in Seller's possession: (i) a current Preliminary Title Report for the Property and legible copies of all documents, whether recorded or unrecorded, referred to in the Preliminary Title Report; (ii) any and all environmental reports relating to the Property; and (iv) copies of any and all material documents that pertain to the physical and/or economic condition of the Property (collectively referred to herein as the "Due Diligence Materials").

(2) Review and Approval of Documents and Materials. Prior to the expiration of the Due Diligence Period, Buyer shall have the right to review and approve or disapprove, in its sole and subjective discretion, at Buyer's sole cost and expense, any environmental reports, soils inspection, conditions of title, zoning, surveys, all physical inspections of the Property, the Due Diligence Materials, and all other reports or inspections as Buyer may deem necessary or appropriate in connection with this Agreement. Failure of Buyer to give disapproval of the Due Diligence Materials on or before the expiration of the Due Diligence Period shall be deemed to constitute Buyer's approval of all Due Diligence Materials. If Buyer disapproves or conditionally approves any matters of title shown in any of the title reports, then Seller may, within fourteen (14) days after its receipt of Buyer's notice of disapproval of the Due Diligence Materials, elect to eliminate or ameliorate to Buyer's satisfaction the disapproved or conditionally approved title matters. Seller shall thereupon give Buyer written notice of those disapproved or conditionally approved title matters, if any, which Seller covenants and agrees to either eliminate from the Approved Condition of Title as exceptions to title to the Property or to ameliorate to Buyer's satisfaction by the Closing Date as a condition to the Close of Escrow for Buyer's benefit. If Seller does not elect to eliminate or ameliorate to Buyer's satisfaction any disapproved or conditionally approved title matters, or if Buyer disapproves of Seller's notice, or if, despite its commercially reasonable efforts, Seller is unable to eliminate or ameliorate to Buyer's satisfaction all such disapproved matters prior to the Closing Date, then Buyer shall have the right to, by a writing delivered to Seller and Escrow Holder: (i) waive its prior disapproval, in which event the disapproved matters shall be deemed approved; or (ii) terminate this Agreement and the Escrow created pursuant thereto, in which event Buyer shall be entitled to the return of all monies previously deposited with Escrow Holder or released to Seller pursuant to this Agreement, and the Escrow and the rights and obligations of the parties hereunder shall thereafter terminate.

(3) Representations, Warranties, and Covenants of Seller. Seller shall have duly performed each and every agreement to be performed by Seller hereunder and Seller's representations, warranties, and covenants set forth in Paragraph 13 shall be true and correct as of the Closing Date.

(4) No Material Changes. At the Closing Date, there shall have been no material adverse changes in the physical condition of the Property.

(5) Inspections and Studies. Prior to the expiration of the Due Diligence Period, Buyer shall have approved the results of any and all inspections, investigations, tests and studies (including, without limitation, investigations with regard to zoning, building codes and other governmental regulations, architectural inspections, engineering tests, economic feasibility studies and soils, seismic and geologic reports) with respect to the Property (including all structural and mechanical systems and leased areas) as Buyer may elect to make or obtain. The failure of Buyer to approve the results on or prior to the expiration of the Due Diligence Period shall be deemed to constitute Buyer's disapproval of the results. The cost of any such inspections, tests and studies shall be borne by Buyer. During the term of this Escrow, Buyer, its agents, contractors and subcontractors, upon at least twenty-four (24) hours' written notice, shall have the right to enter upon the Property, at reasonable times during ordinary business hours, to make any and all inspections and tests as may be necessary or desirable in Buyer's sole judgment and discretion. Buyer shall use care and consideration in connection with any of its inspections. Buyer shall indemnify, defend and hold Seller and the Property harmless from any and all claims, liabilities, damages, costs and expenses (including reasonable attorneys' fees) arising out of, or resulting from the negligence of Buyer's, and/or Buyer's agents, contractors and/or subcontractors directly resulting from such entry or activities upon the Property.

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

(1) Promissory Note. Buyer shall have executed and delivered into Escrow the Promissory Note in favor of Seller in the amount of the Purchase Price, which Promissory Note shall be in a form and substance mutually agreed to by the parties;

(2) Deed of Trust. Buyer shall have executed and delivered into Escrow the Deed of Trust, in recordable form, for the benefit of Seller, securing the Promissory Note, which Deed of Trust shall be in a form and substance mutually agreed to by the parties;

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

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

8. Deposits by Seller. At least three (3) business days prior to the Close of Escrow, Seller shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

a. Grant Deed. A grant deed in a form and substance approved by the parties (the "Grant Deed") conveying the Property to Buyer, duly executed by Seller, acknowledged and in recordable form. Upon receiving said executed Grant Deed, Escrow Holder is instructed to forward a copy of Grant Deed to Buyer so that an Original Certificate of Acceptance can be attached.

9. Deposits by Buyer. At least three (3) business days prior to the Close of Escrow, Buyer shall deposit or cause to be deposited with Escrow Holder the following:

a. Promissory Note. Executed Promissory Note in favor of Seller in the amount of the Purchase Price; and

b. Deed of Trust. Executed Deed of Trust for the benefit of Seller, in recordable for, securing the Promissory Note.

10. Costs and Expenses. The cost and expense of the Title Policy attributable to ALTA coverage, plus the cost attributable to an endorsement insuring Buyer's title against any mechanics' liens as of the Closing Date, shall be paid by Buyer. Buyer shall pay any Escrow fees. Buyer shall pay all documentary transfer taxes, if any, payable in connection with the recordation of the Grant Deed. The amount of such transfer taxes shall not be posted on the Grant Deed, but shall be supplied by separate affidavit. Buyer shall pay the Escrow Holder's customary charges to Buyer and Seller for document drafting, recording, and miscellaneous charges. Each party shall be responsible for their respective legal fees and costs in connection with this transaction.

11. Prorations. Escrow Holder shall prorate all rents, real estate taxes (including those levied pursuant to the RMA), bonds or assessments (general and special) as of 12:01 a.m. on the date of the Close of Escrow.

a. All operating expenses of the Property including, without limitation, utility charges, maintenance charges, management fees, and other costs and expenses shall be prorated between Buyer and Seller as of 12:01 a.m. on the date of Close of Escrow. Any utility services shall be transferred to the name of the Buyer effective as of the Close of Escrow and Seller shall be relieved of any future liability for such charges incurred after the Close of Escrow. In the event Seller has made any utility deposits, Seller shall be entitled to a refund of such deposits directly from the utility companies and any future deposits shall be paid directly to the utility companies by Buyer; provided, however, that Buyer may elect, in its sole discretion, to require Seller to assign the rights to utility deposits to Buyer in exchange for a credit to Seller through Escrow for the amount of such deposits.

b. At least three (3) business days prior to the Closing Date, Seller shall provide to Buyer a schedule of all prorations accompanied by the latest available billings for any operating expenses and statements for rent, if applicable. Buyer and Seller shall agree upon such prorations and notify Escrow Holder on or before two (2) business days prior to the Closing Date.

c. Seller shall pay all bills incurred with respect to the Property prior to the Close of Escrow; provided, however, with respect to bills not received by Seller before the Close of Escrow, Seller shall pay the portion of such bills attributable to the period prior to the Close of Escrow within ten (10) days after Seller's receipt of same. Said covenant of Seller shall survive the Close of Escrow. Buyer shall pay all bills incurred with respect to the Property following the Close of Escrow.

d. In the event that there are any unknown amounts to be prorated as of the Close of Escrow, then Seller and Buyer will prorate the same promptly after the Close of Escrow and outside the escrow.

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

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

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

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

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

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

Buyer's obligations hereunder):

a. Validly Existing. Seller is a municipal corporation, duly formed, validly existing and in good standing under the laws of the State of California.

b. Authorization. This Agreement has been duly and validly authorized, executed and delivered by Seller, and no other action is requisite to the execution and delivery of this Agreement by Seller.

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

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

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

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

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

h. Documents. To Seller's actual knowledge, all documents delivered to Buyer pursuant to this Agreement are true and complete copies of originals, and any and all information supplied to Buyer by Seller in accordance with Paragraph 7.a.(2) hereof is true and complete.

i. Hazardous Materials. As of the date of the execution of this Agreement, Seller has no actual knowledge of any use or condition of the Property by Seller or by any predecessor in interest of Seller which would have caused Hazardous Materials to exist in, on, under or about the Property. Seller agrees to and shall defend, indemnify and hold harmless Buyer, and its officers, agents and employees (the "Indemnified Parties") from and against all claims, liability, loss, damage, costs or expenses (including reasonable attorneys' fees and court costs) incurred by the Indemnified Parties, arising from or as a result of any Hazardous Materials which may be found on the Property, at any time, which (a) were caused to exist in, on, under or about the Property by Seller, and (b) which existed on the Property prior to the Closing Date. For purposes of this Agreement, the term "Hazardous Materials" means any substance, material or waste which is regulated as hazardous/contaminating or potentially hazardous/contaminating by the United States government, the State of California, or any local or other governmental authority, including, without limitation, any material, substance or waste which is (i) defined as a "hazardous waste," "acutely hazardous waste," "restricted hazardous waste," or "extremely hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code; (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code; (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code; (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code; (v) petroleum; (vi) asbestos; (vii) lead; (viii) a polychlorinated biphenyl; (ix) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Code of Regulations, Chapter 20; (x) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act (33 U.S.C. Section 1317); (xi) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act (42 U.S.C. Section 6903); (xii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601); (xiii) any other substance, whether in the form of a solid, liquid, gas or any other form whatsoever, with respect to which any governmental regulations or requirements provide for special handling in its use, transportation, generation, collection, storage, treatment or disposal; (xiv) any substance, product, waste, or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (xv) petroleum or crude oil other than petroleum and petroleum products which are contained within regularly operated motor vehicles; and (xvi) asbestos.

j. Due Diligence Materials. To Seller's knowledge, there are no other reports relating to the physical condition of the Property that are in existence, but not in Seller's possession.

Seller's representations and warranties made in this Paragraph 13 shall be continuing and shall be true and correct as of the Close of Escrow with the same force and effect as if remade by Seller in a separate certificate at that time. The truth and accuracy of Seller's representations and warranties made herein shall survive the Close of Escrow (the "Survival Period").

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

a. Buyer is a public body corporate and politic, duly formed, validly existing and in good standing under the laws of the State of California.

b. Buyer has the full right, power and authority to enter into this Agreement and the instruments referenced herein; and to consummate the transactions contemplated hereby.

c. The persons executing this Agreement, the instruments referenced herein, and any other documents executed and delivered on behalf of Buyer have the full right, power and authority to do so and have been duly authorized to do so by Buyer, and no other persons are required to execute this Agreement on behalf of Buyer.

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

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

15. <u>Damage or Condemnation Prior to Closing</u>.

a. <u>Material Damage or Destruction</u>. In the event of material damage to or destruction of the Property prior to Closing, through no fault of Seller, Buyer shall have the right, but not the obligation, exercisable by giving notice to Seller within fifteen (15) days after receiving written notice of such damage or destruction, either (i) to terminate this Agreement, in which case neither party shall have any further rights or obligations hereunder except that (a) all funds deposited into Escrow or documents in Escrow shall be returned to the party depositing the same, and (b) Buyer and Seller each shall be responsible for one-half of any title or escrow cancellation fee, or (ii) to accept the Property in its then condition and to proceed with the Closing, in which event upon the Close of Escrow, Buyer shall be entitled to receive an assignment of all of Seller's rights to any insurance proceeds payable by reason of such damage or destruction. If Buyer elects to proceed under clause (ii) above, Seller shall not compromise, settle or adjust any claims to such proceeds without Buyer's prior written consent.

b. <u>Eminent Domain</u>. In the event that prior to the Closing, all or any material portion of the Property is subject to a taking or a threatened taking by a public authority, Buyer shall have the right, but not the obligation, exercisable by giving notice to Seller within fifteen (15) days after receiving written notice of such taking, either (i) to terminate this Agreement, in which case neither party shall have any further rights or obligations hereunder except that (a) all funds deposited into Escrow or documents in Escrow shall be returned to the party depositing the same, and (b) Buyer and Seller each shall be responsible for one-half of any title or escrow cancellation fee, or (ii) to accept the Property in its then condition and to proceed with the Closing without an abatement or reduction in the Purchase Price, in which case Buyer shall be entitled to receive an assignment of all of Seller's rights to any condemnation award payable by reason of such taking. If Buyer elects to proceed under clause (ii) above, Seller shall not compromise, settle or adjust any claims to such award without Buyer's prior written consent.

c. Non-Material Taking or Damage. In the event that prior to the Closing, any Non-Material portion of the Property is damaged, destroyed or subject to a taking or a threatened taking by a public authority, Buyer shall accept the Property in its then condition and proceed with the Closing without any abatement or reduction in the Purchase Price, in which case Buyer shall be entitled to receive an assignment of all of Seller's rights to (i) any applicable insurance proceeds; and/ or (ii) any condemnation award payable by reason of such taking. In the event of any such Non-Material damage, destruction or taking, Seller shall not compromise, settle or adjust any claims to such award without Buyer's prior written consent.

16. Notices. Formal notices, demands and communications between Buyer and Seller 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 the Buyer and Seller as set forth below. 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 (delivered during normal business hours) followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; 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.

To Buyer:	Culver City Redevelopment Agency Attn: Sol Blumenfeld 9770 Culver Boulevard Culver City, CA 90232-0507 Telephone: (310) 253-5702 Facsimile: (310) 253-5779
To Seller:	City of Culver City Attn: John M. Nachbar 9770 Culver Boulevard Culver City, CA 90232-0507 Telephone: (310) 253-6000 Facsimile: (310) 253-6010

With a Copy To: Culver City City Attorney
9770 Culver Boulevard
Culver City, CA 90232-0507
Attn: Carol Schwab
Telephone: (310) 253-5660
Facsimile: (310) 253-5664

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

17. Legal Fees. Each party shall be responsible for their respective legal fees and costs in connection with any action or suit against the other party hereunder arising out of this Agreement.

18. Assignment. Buyer shall not be entitled to assign this Agreement without the prior written consent of Seller, which consent shall not be unreasonably withheld.

19. Legal and Equitable Enforcement of this Agreement.

a. Default by Seller. In the event the Close of Escrow and the acquisition of the Property by Buyer does not occur by reason of any default by Seller, which default continues for a period of at least five (5) days following Seller's receipt of written notice from Buyer, then Buyer shall be entitled to the return of all of its out-of-pocket expenses incurred in connection with the transaction, and shall have the right to pursue any other remedy available to it at law or in equity, including the specific performance of this Agreement.

b. Default by Buyer. In the event the Close of Escrow and the acquisition of the Property by Buyer does not occur by reason of any default by Buyer, which default continues for a period of at least five (5) days following Buyer's receipt of written notice from Seller, then Seller shall be entitled to the return of all of its out-of-pocket expenses incurred in connection with the transaction, and shall have the right to pursue any other remedy available to it at law or in equity, including the specific performance of this Agreement.

20. Miscellaneous.

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

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

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

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

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

f. Broker. Buyer and Seller each represent and warrant to the other party that neither has dealt with or engaged a broker in connection with this transaction, and agrees to indemnify and save harmless the other party from and against all claims, costs, liabilities and expense (including court costs and reasonable attorneys' fees) incurred by the other party as a result of a breach of this representation.

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

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

i. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

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

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

l. Computation of Time. The time in which any act is to be done under this Agreement is computed by excluding the first day (such as the day Escrow opens), and including the last day, unless the last day is a holiday or Saturday or Sunday, in which case the time shall be extended to the next business day.

m. Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against any party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

n. Conflicts of Interest. No member, official or employee of the Buyer or the Seller shall have any personal interest, direct or indirect, in this Agreement nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested.

o. Gender and Number. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

p. Severability. If any provision of this Agreement shall be adjudged invalid, illegal or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall not be affected thereby, but this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had not been contained herein, and the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

21. Mutual Indemnification. In contemplation of the provisions of Section 895.2 of the California Government Code imposing certain tort liability jointly upon public entities solely by reason of such entities being parties to an agreement as defined by Section 895 of said Code, the parties hereto, as between themselves, pursuant to the authorization contained in Section 895.4 and 895.6 of said Code, will each assume the full liability imposed upon it, or any of its officers, agents or employees by law for injury caused by negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such liability would be imposed in the absence of Section 895.2 of said Code. To achieve the above stated purpose each party indemnifies and holds harmless the other party for any loss, cost or expense that may be imposed upon such other party solely by virtue of said Section 895.2. The provisions of Section 2778 of the California Civil Code are made a part hereof as if fully set forth herein.

22. Indemnification of Escrow Holder.

a. If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold Escrow Holder free and harmless from any loss or expense, including attorney's fees, that may be suffered by it by reason thereof except for losses or expenses as may arise from Escrow Holder's negligent or willful misconduct. If conflicting demands are made or notices served upon Escrow

Holder with respect to this Agreement, the parties expressly agree that Escrow Holder shall be entitled to file a suit in interpleader and obtain an order from the court requiring the parties to interplead and litigate their several claims and rights among themselves. Upon the filing of the action in interpleader, Escrow Holder shall be fully released and discharged from any obligations imposed upon it by this Agreement, and

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

23. Entire Agreement, Waivers and Amendments.

(a) This Agreement shall be executed in two duplicate originals each of which is deemed to be an original. This Agreement and its attached Exhibits shall constitute the entire understanding and agreement of the parties.

(b) 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 any part of or any interest in) the Property. This Agreement and all documents incorporated herein contain the entire understanding among the parties hereto relating to the transactions contemplated herein and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written.

(c) All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Buyer and the Seller, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties to be bound thereby. This Agreement and any provisions hereof may be amended by mutual written agreement by the Buyer's Executive Director or designee and Seller's City Manager or designee, subject to review and approval by the Culver City Redevelopment Agency Board or City Council of the City of Culver City as needed to comply with applicable law and internal policies and procedures. The waiver by Buyer or Seller of any term, covenant, or condition herein contained shall not be a waiver of such term, covenant, or condition on any subsequent breach.

(d) This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument. The signature page of this Agreement may be detached from and added to any counterpart of this Agreement identical in form.

24. Further Actions.

The Buyer's Executive Director or designee and the Seller's City Manager or designee are hereby authorized and directed to take such other and further actions, and sign such other and further agreements and documents on behalf of the Buyer and the Seller, respectively, as may be necessary or proper to effect the terms of this Agreement.

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

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

Dated:_________________________ By: ___________________________________
John Nachbar
Executive Director

APPROVED AS TO FORM:
KANE, BALLMER & BERKMAN

By: ____________________________
Murray O. Kane
Agency General Counsel

[Signatures Continued on Following Page]

"Seller"
CITY OF CULVER CITY, a municipal corporation

Dated:_________________________ By: ___________________________________

Christopher Armenta
Mayor

APPROVED AS TO FORM:

____

Carol A. Schwab
City Attorney

Agreement No.: _______
APN:___________

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Real property in the City of Culver City, County of Los Angeles, State of California, located at 3846 Cardiff Avenue and described as follows:

[INSERT]

Also more commonly known as Assessor's Parcel Numbers ____________________________