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WHEN RECORDED MAIL TO:**

Space Above This Line for Recorder's Use

DEVELOPMENT AGREEMENT

by and between

CITY OF LOS ANGELES

and

NOHO DEVELOPMENT ASSOCIATES, LLC

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DEVELOPMENT AGREEMENT

This Development Agreement is entered into by and between the City of Los Angeles, a charter city and a municipal corporation, and NoHo Development Associates, LLC, a Delaware limited liability company, pursuant to California Government Code section 65864 et seq. and the City's implementing procedures therefor.

1. DEFINITIONS

For purposes of this Agreement, except as otherwise expressly provided, the following words and phrases shall be defined as set forth in this Article 1.

1.1 **"Affordable Housing Units"** means the 311 affordable housing units to be constructed on the Property, including (A) 142 dwelling units at rents affordable to Low Income households in compliance with LAMC section 11.5.11(a)(1)(iii) and (B) 169 dwelling units at rents affordable to Low Income households, pursuant to the Joint Development and Option Agreement by and between the Developer and the Los Angeles County Metropolitan Transit Authority.

1.2 **"Agreement"** means this Development Agreement.

1.3 **"Applicable Rules"** means the rules, regulations, ordinances, and official policies of the City in full force and effect as of the Effective Date governing the use and development of real property. Notwithstanding the language of this Section 1.3 or any other language in this Agreement, this Agreement does not prevent the City, in subsequent actions applicable to the Property, from applying new rules, regulations, ordinances, and official policies that do not conflict with those in force and effect as of the Effective Date; nor does this Agreement prevent the City from denying or conditionally approving any subsequent application for the Project on the basis of such existing or new rules, regulations, ordinances, and official policies.

1.4 **"Assignment Agreement"** means a written agreement entered into by and between the Developer and a Transferee of the Developer pursuant to which the Developer transfers, in whole or in part, its rights and obligations under this Agreement, consistent with the provisions of this Agreement, including without limitation Section 6.8.

1.5 **"CEQA"** means the California Environmental Quality Act (Cal. Pub. Res. Code section 21000 et seq.) and the State CEQA Guidelines (Cal. Code of Regs., title 14, section 15000 et seq.).

1.6 **"City"** means the City of Los Angeles, a charter city and municipal corporation.

1.7 **"City Council"** means the Los Angeles City Council, which is the legislative body of the City pursuant to California Government Code section 65867.

1.8 **"Development Agreement Act"** means California Government Code section 65864 et seq.

1.9 **"Developer"** means NoHo Development Associates, LLC, a Delaware limited liability company, or its successors and assignees.

1.10 **“Discretionary Action”** means any action that requires the exercise of judgment, deliberation, or a decision on the part of the City in the process of approving or disapproving a particular activity, as distinguished from an activity that merely requires the City to determine whether there has been compliance with statutes, ordinances, or regulations.

1.11 **“Effective Date”** means the date on which this Agreement is attested by the Los Angeles City Clerk after execution by the Developer and the Mayor of the City of Los Angeles.

1.12 **“EIR”** means Final Environmental Impact Report SCH 2020060573 prepared under Case No. ENV-2019-7241-EIR.

1.13 **“Fees”** means Impact Fees, Processing Fees, and any other fees or charges imposed or collected by the City.

1.14 **“General Plan”** means the General Plan of the City.

1.15 **“Impact Fees”** means impact fees, linkage fees, exactions, assessments, or fair-share charges or other similar fees or charges imposed by the City on and in connection with new development pursuant to rules, regulations, ordinances, and policies of the City in full force and effect as of the Effective Date. Impact Fees do not include Processing Fees or other Citywide fees or charges of general applicability, provided that such Citywide fees or charges are not imposed on impacts of new development.

1.16 **“LAMC”** means the Los Angeles Municipal Code.

1.17 **“Ministerial Permits and Approvals”** means the permits, approvals, plans, inspections, certificates, documents, licenses, and all other actions required to be taken by the City in order for the Developer to implement, develop, and construct the Project and the Mitigation Measures, including without limitation building permits, foundation permits, public works permits, grading permits, stockpile permits, encroachment permits, and other similar permits and approvals that are required by the LAMC, Project plans, or other actions required by the Project Approvals to implement the Project and the Mitigation Measures. Discretionary Actions are expressly excluded from Ministerial Permits and Approvals.

1.18 **“Mitigation Measures”** means the mitigation measures described in the EIR and in the Mitigation Monitoring Program for the Project.

1.19 **“Parties”** means the City and the Developer collectively. The City and the Developer individually shall be referred to as a “Party.”

1.20 **“Planning Commission”** means the City Planning Commission, which is the planning agency of the City pursuant to California Government Code section 65867.

1.21 **“Planning Director”** means the Planning Director for the City.

1.22 **“Processing Fees”** means all processing fees and charges required by the City, including without limitation fees for land use applications, Project permits or approvals, building applications, building permits, grading permits, encroachment permits, tract or parcel maps, lot line adjustments, air right lots, street vacations, and certificates of occupancy that are necessary

to accomplish the intent and purpose of this Agreement. Expressly exempted from Processing Fees are all Impact Fees that may be imposed by the City on development projects pursuant to rules, regulations, ordinances, and policies enacted after the Effective Date, except as specifically provided for in this Agreement. The amounts of the Processing Fees to be applied in connection with the development of the Project shall be the amount that is in effect on a Citywide basis at the time an application for the City action is made. Notwithstanding the language of this Section 1.22 or any other language in this Agreement, the Developer shall not be exempt from the payment of fees, if any, imposed on a Citywide basis as part of the City's program for storm water pollution abatement mandated by the Federal Water Pollution Control Act of 1972 and subsequent amendments thereto, unless a waiver of these fees is provided by the City in a subsequent written agreement.

1.23 **“Project”** means the development of a transit-oriented development with up to 2,209,027 square feet of total floor area, including up to 1,527 multifamily residential units comprising up to 1,216 market rate units and 311 affordable housing units; up to 105,125 square feet of retail and restaurant space; up to 580,374 square feet of office space; vehicular and bicycle parking; the creation of three public transit and event plazas that create a new amenity and gathering place for North Hollywood; a redeveloped and expanded Metro Red Line portal entry, which reinforces the connection of the Project to Metro's Red and Orange lines; and a redeveloped and consolidated transit center, including a bus terminal for the Metro Orange Line, future Bus Rapid Transit, and other local and regional bus lines, with integration of retail within the historic Lankershim Depot. As a Project option, a land use exchange program is included, allowing for up to 75,000 square feet of retail and restaurant space to be exchanged for up to 75,000 square feet of office space.

1.24 **“Project Approvals”** means the following land use actions requested by the Developer from the City: (A) a General Plan Amendment (1) amending the North Hollywood–Valley Village Community Plan to create a Regional Center land use designation and to include Specific Plan Zone as a corresponding Zone for the Regional Center land use designation, and (2) changing the land use designation for the Project Site to Regional Center; (B) a Vesting Zone Change for the entire Property from PF-1VL, C2-2D-CA, C4-2D-CA, C4-2, and CM-1VL to a Specific Plan zone and corresponding modification to the LAMC to add the Specific Plan zone; (C) a proposed Specific Plan to regulate development within the Property; (D) a Vesting Tentative Tract Map for the merger and re-subdivision of proposed Blocks 1-6 and Block 8 within the Property; (E) the establishment of a Signage Supplemental Use District; (F) a Building Line Removal; (G) a Development Agreement; and (H) the certification of the EIR.

1.25 **“Property”** means the real property described in Exhibit A to this Agreement, which is incorporated herein by this reference.

1.26 **“Reserved Powers”** means the rights and authority excepted from this Agreement's restrictions on the City's police powers and, instead, are reserved to and retained by the City. Reserved Powers include the powers to enact regulations or take future Discretionary Actions after the Effective Date that may be in conflict with the Applicable Rules and Project Approvals, but (A) are necessary to protect public health and safety and are generally applicable

on a Citywide basis (except in events of natural disasters as determined by the Mayor or the City Council, such as floods and earthquakes); (B) are amendments to Uniform Codes, as adopted by the City of Los Angeles, or the LAMC, as applicable, regarding the construction, engineering, and design standards for private and public improvements to be constructed on the Property, and that are necessary to protect the health and safety of the residents of the City and are generally applicable on a Citywide basis (except in the event of natural disasters as determined by the Mayor or the City Council, such as floods and earthquakes); or (C) are necessary to comply with state or federal laws and regulations (whether enacted previous or subsequent to the Effective Date) as provided in Section 3.2.3.3.

1.27 “**Term**” means the period of time for which this Agreement shall be effective in accordance with Section 6.2.

1.28 “**Transferee**” means, individually or collectively, the Developer’s successors-in-interest, assignees, or transferees of all or any portion of the Property.

1.29 “**Uniform Codes**” means building, electrical, mechanical, plumbing, fire, and other similar regulations of a Citywide scope that are oftentimes based on recommendations of a multistate professional organization and become applicable throughout the City, including without limitation the Uniform Building Code, the Uniform Electrical Code, the Uniform Mechanical Code, the Uniform Plumbing Code, and the Uniform Fire Code (including amendments to the promulgated uniform codes that reflect local modification to implement the published recommendations of the multistate organization and are applicable Citywide).

2. **RECITALS OF PREMISES, PURPOSE, AND INTENT**

2.1 **State Enabling Statute.** To strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic risk of development, the Legislature of the State of California adopted the Development Agreement Act, which authorizes cities to enter into binding development agreements establishing certain development rights in real property with persons having legal or equitable interests in such property. Section 65864 of the Development Agreement Act expressly provides as follows:

The Legislature finds and declares that:

(a) The lack of certainty in the approval of development projects can result in a waste of resources, escalate the cost of housing and other development to the consumer, and discourage investment in and a commitment to comprehensive planning which would make maximum efficient utilization of resources at the least economic cost to the public.

(b) Assurance to the applicant for a development project that upon approval of the project, the applicant may proceed with the project in accordance with existing policies, rules and regulations, and subject to conditions of approval will strengthen the public planning process, encourage private participation in

comprehensive planning, and reduce the economic cost of development.

Notwithstanding the foregoing, to ensure that the City remains responsive and accountable to its residents while pursuing the benefits of development agreements contemplated by the Legislature, the City accepts restraints on its police powers contained in development agreements only to the extent and for the duration required to achieve the mutual objectives of the Parties, and to offset such restraints, seeks public benefits that go beyond those obtained by traditional City controls and conditions imposed on development project applications.

2.2 City Procedures and Actions.

2.2.1 Planning Commission Action. On September 28, 2023, the Planning Commission held a duly noticed public hearing and recommended certification of the EIR and approval of this Agreement.

2.2.2 City Council Action. On _____, 2024, the City Council, after conducting a duly noticed public hearing, certified the EIR and adopted Ordinance No. _____, to become effective on the 31st day after publication or the 41st day after posting, approving this Agreement, found that the Agreement's provisions are consistent with the City's General Plan, the Community Plan, and the LAMC, and authorized the execution of this Agreement.

2.3 Purpose of This Agreement.

2.3.1 Public Benefits. This Agreement provides assurances that the public benefits identified in Section 3.1.3 will be achieved and developed in accordance with the Applicable Rules, the Project Approvals, and the terms of this Agreement and subject to the City's Reserved Powers. The Project will provide local and regional public benefits to the City, including without limitation those public benefits listed in Section 3.1.3.

2.3.2 Developer Objectives. In accordance with the legislative findings set forth in the Development Agreement Act, and with full recognition of the City's policy of judicious restraints on its police powers, the Developer wishes to obtain reasonable assurances that the Project may be developed in accordance with the Applicable Rules, the Project Approvals, and the terms of this Agreement and subject to the City's Reserved Powers. The Developer anticipates making capital expenditures or causing capital expenditures to be made in reliance on this Agreement. In the absence of this Agreement, the Developer would have no assurance that it can complete the Project for the uses and to the density and intensity of development set forth in the Project Approvals. This Agreement is necessary to assure the Developer that the Project will not be (A) reduced or otherwise modified in density, intensity, or use from what is set forth in the Project Approvals, or (B) subject to new rules, regulations, ordinances, or official policies or plans that are not adopted or approved pursuant to the City's Reserved Powers.

2.3.3 Mutual Objectives. Development of the Project in accordance with this Agreement will provide for the orderly development of the Property in accordance with the

objectives set forth in the General Plan. Moreover, a development agreement for the Project will eliminate uncertainty in planning for and securing orderly development of the Property, assure installation of necessary improvements, assure attainment of maximum efficient resource utilization within the City at the least economic cost to its citizens, and otherwise achieve the goals and purposes for which the Development Agreement Act was enacted. The Parties believe that such orderly development of the Project will provide public benefits, as described in Section 2.3.1, to the City through the imposition of development standards and requirements under the provisions and conditions of this Agreement. Additionally, although development of the Project in accordance with this Agreement will restrain the City's land use or other relevant police powers, this Agreement provides the City with sufficient Reserved Powers during the Term to remain responsible and accountable to its residents. In exchange for these and other benefits to the City, the Developer will receive assurance that the Project may be developed during the Term in accordance with the Applicable Rules, Project Approvals, and Reserved Powers, subject to the terms and conditions of this Agreement.

2.4 **Applicability of the Agreement.** This Agreement does not (A) grant density or intensity in excess of that otherwise established in the Project Approvals or Applicable Rules, (B) eliminate future Discretionary Actions relating to the Project if applications requiring such Discretionary Action are initiated and submitted by the Developer after the Effective Date, (C) guarantee that the Developer will receive any profits from the Project, or (D) amend the City's General Plan except as specified in the Project Approvals.

3. AGREEMENTS AND ASSURANCES

3.1 **Agreement and Assurance on the Part of Developer.** In consideration for the City entering into this Agreement, as an inducement for the City to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the purposes and intentions set forth in Section 2 above, the Developer hereby agrees as follows:

3.1.1 **Project Development.** The Developer agrees that it will use commercially reasonable efforts, in accordance with its own subjective business judgment and accounting for market conditions and economic considerations, to undertake any development of the Project in accordance with the terms and conditions of this Agreement and the Project Approvals, which include the following:

1. Dedication of Land for Public Purposes. Provisions for the dedication of land for public purposes are set forth in the District NoHo Specific Plan and Vesting Tentative Map.
2. Transportation Improvements. The transportation improvements to be included within the scope of the Project are set forth in the District NoHo Specific Plan.
3. Intensity of Project. The maximum development intensity of the Project is set forth in the District NoHo Specific Plan.
4. Maximum Height of the Project. The maximum height for each of the Project's proposed building areas is shown in the District NoHo Specific Plan.

Nothing in this Agreement shall be deemed to obligate the Developer to initiate or complete development of the Project or any portion thereof within any period of time or at all, or deemed to prohibit the Developer from seeking any necessary land use approvals for any different land use project on the Property.

3.1.2 Timing of Development. The Parties acknowledge that the Developer cannot at this time predict when or at what rate the Property will be developed. Such decisions depend on numerous factors that are not all within the control of the Developer, such as market orientation and demand, availability of funds, interest rates, and competition. Because the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo*, 37 Cal. 3d 465 (1984), that the failure of the parties therein to provide for the timing of development permitted a later adopted initiative restricting the timing of development and controlling the parties' agreement, it is the intent of the Developer and the City to hereby acknowledge and provide for the right of the Developer to develop the Project in such order and at such rate and times as the Developer deems appropriate within the exercise of its own subjective business judgment. The City acknowledges that such a right is consistent with the intent, purpose, and understanding of the Parties to this Agreement; provided, however, that this Section 3.1.2 does not in any way limit or otherwise affect the specific timing or implementation of improvements or other requirements of development to the extent such provisions are set forth in the Project Approvals.

3.1.3 Obligations of Developer as Consideration for This Agreement. As consideration for this Agreement, the Developer shall provide the public benefits listed below:

1. Art Gallery.
 - A. The Developer shall provide and fit out 2,300 square feet of floor area within the building developed on Subarea 8 (as delineated in the proposed Specific Plan included in the Project Approvals), suitable for occupation and use as an art gallery ("Art Gallery") contemporaneous with its construction of the building and before the issuance of any certificate of occupancy for Subarea 8. The fit out shall include concrete floors, white drywall, code-compliant lighting, and code-compliant restroom facilities of a reasonable quality, consistent with similar gallery spaces within the City of Los Angeles.
 - B. The Developer shall have no obligation to install or upkeep other tenant improvements to the space, including without limitation artwork, highlight lighting, audio/visual or other low voltage installations, or café or other furniture, fixtures, and equipment, all of which shall be the sole obligation of the operator of the Art Gallery ("Art Gallery Operator").
 - C. For a period of ten (10) years from issuance of a certificate of occupancy for the Art Gallery ("Art Gallery Term"), the Developer shall make the space available to the Art Gallery Operator rent-free and without charge for janitorial services, property management, utilities, and property taxes. The Developer shall have no responsibility for operating the Art Gallery or

for operational or staffing costs, which shall be the sole obligation of the Art Gallery Operator.

- D. The Art Gallery Operator and any replacement operator during the Art Gallery Term shall be selected through a request for proposals (“RFP”) that meets the best practices for similar RFPs issued for art galleries of a similar size and location.
- E. If the Art Gallery Operator desires to continue to operate the Art Gallery at the end of the Art Gallery Term, then no later than six (6) months before the end of the Art Gallery Term, the Art Gallery Operator shall provide written notice to the Developer of its request to extend the term, and the parties may, in their mutual discretion, negotiate a new lease in good faith under market terms. After the expiration of the Art Gallery Term, as may be extended, if the Art Gallery Operator elects not to negotiate a new lease, the Developer may at its sole discretion elect to lease the space for another use.

2. Moderate Income Affordable Housing Units. In addition to the 311 Affordable Housing Units within the Property that shall be restricted at rents affordable to Low Income households, pursuant to the Project Approvals, the Developer shall provide 55 affordable housing units restricted at rents affordable to Moderate Income households (“Moderate Income Units”). The Moderate Income Units shall be provided within Subareas 1, 2, 4, and 5/6 and shall comprise at least five percent (5%) of the total residential units developed within each of these subareas; provided, however, that the percentage of Moderate Income Units included within the last of these subareas to obtain a building permit shall be reduced or increased, as applicable, by the amount necessary to ensure the total number of Moderate Income Units with the Property totals 55 units. Before the issuance of any certificates of occupancy for each of these subareas, such subarea shall include the aforementioned 5% minimum of Moderate Income Unit, subject to the adjustments regarding the 55-unit total set forth in the preceding sentence.

3. Class IV Bicycle Facility. Before the issuance of any certificate of occupancy for Subarea 4, the Developer shall complete a two-way Class IV bicycle facility on the west side of Fair Avenue from Chandler Boulevard to District Way, to the satisfaction of the Los Angeles Department of Transportation.

4. “First Look” Leasing for Local Retailers and Eateries.

- A. The Developer shall make commercially reasonable efforts to offer leases of retail and restaurant floor area within the Project to local retailers and eateries to achieve a tenant mix that reflects the character of the North Hollywood Arts District and that supports a vibrant mixed-use destination.

- B. For the first six (6) months of the initial marketing period of each retail and restaurant space, the Developer shall accept offers only from local retailers and eateries.
- C. For the first five (5) years after issuance of a certificate of occupancy for a building with retail or restaurant space, the Developer shall include information in its marketing materials available online, through social media and provided to brokers, regarding opportunities for local retailers and eateries to lease space within the Project.
- D. For the purposes of this section, a “local retailer or eatery” shall mean an establishment with five or fewer stores, with a principal place of business within the City of Los Angeles, and not doing business as a franchisee or under a licensed trade name.

5. Public Art. The Developer shall provide public art contributions that exceed the Arts Development Fee required for the Project under LAMC section 91.107.4.6. Before the issuance of any certificate of occupancy for each of the following subareas, the Developer shall provide evidence to the Department of Cultural Affairs that the Arts Development Program completed for the subarea exceeds the requirement of the Arts Development Fee for that subarea by the following amounts: (A) Subarea 1 – \$40,000; (B) Subarea 2 – \$30,000; (C) Subarea 3 – \$30,000; (D) Subarea 4 – \$25,000; (E) Subarea 5/6 -- \$100,000; (F) Subarea 7 –\$50,000; and (G) Subarea 8 – \$40,000.

6. Community Events and Programming. Before the opening of the Central Open Space, as defined in the Specific Plan, the Developer shall organize and hold at least three community events, such as a farmers’ market, concert in the park, arts fair, or similar event, within the Property that are open to the public at no charge. The Developer shall incur at least \$50,000 in total to organize and hold such events and, before the opening of the Central Open Space, shall make available receipts and invoices to the Director of Planning upon request to evidence such expenditures.

7. Historical Plaques. The Developer shall contribute \$25,000 to the Council District 2 Real Property Trust Fund before the issuance of any certificates of occupancy for each of Subarea 2, Subarea 5, and Subarea 8, for a total contribution of \$75,000, for the funding and installation of three historical plaques within the sidewalks adjacent to the Property commemorating the history of the North Hollywood area.

3.2 Agreement and Assurances on the Part of the City. In consideration for Developer entering into this Agreement, as an inducement for the Developer to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the purposes and intentions set forth in Section 2 above, the City hereby agrees as follows:

3.2.1 Entitlement to Develop. The Developer has the vested right to develop the Project subject to the terms and conditions of this Agreement, the Applicable Rules, the Project Approvals, and the Reserved Powers. The Developer’s vested rights under this

Agreement shall include without limitation the right to remodel, renovate, rehabilitate, rebuild, or replace the existing development and the Project or any portion thereof throughout the applicable Term for any reason, including without limitation in the event of damage, destruction, or obsolescence of the existing development or the Project or any portion thereof, subject to the Applicable Rules, Project Approvals, and Reserved Powers.

3.2.2 Consistency with Applicable Rules. Based on all information made available to the City up to or concurrently with the execution of this Agreement, the City finds and certifies that no Applicable Rules prohibit or prevent the full completion and occupancy of the Project in accordance with the uses, intensities, densities, designs and heights, permitted demolition, signage regulations, and other development entitlements incorporated and agreed to herein and in the Project Approvals.

3.2.3 Changes in Applicable Rules.

3.2.3.1 Nonapplication of Changes in Applicable Rules. Any change in or addition to the Applicable Rules, including without limitation any change in any applicable general or specific plan, zoning or building regulation, adopted or becoming effective after the Effective Date, including without limitation any such change by means of ordinance, City Charter amendment, initiative, referendum, resolution, motion, policy, order, or moratorium, initiated or instituted for any reason whatsoever and adopted by the City, the Mayor, City Council, Planning Commission, or any other board, commission, department, or agency of the City, or any officer or employee thereof, or by the electorate, as the case may be, that absent this Agreement, would otherwise be applicable to the Property or the Project and that would conflict in any way with the Applicable Rules, the Project Approvals, or this Agreement, shall not be applied to the Property or the Project unless such changes represent an exercise of the City's Reserved Powers or are otherwise agreed to in this Agreement, including without limitation the exceptions set forth in Section 1.3. Notwithstanding the foregoing, the Developer may, at its sole discretion, consent to the application to the Project of any change in or addition to the Applicable Rules.

3.2.3.2 Changes in Building and Fire Codes. Notwithstanding any provision of this Agreement to the contrary, development of the Project shall be subject to changes that may occur from time to time in the Uniform Codes, as they are adopted by the City of Los Angeles. In addition, development of the Project shall be subject to changes occurring from time to time in the LAMC regarding the construction, engineering, and design standards for both public and private improvements provided that these changes are necessary to protect the health and safety of the residents of the City and are generally applicable on a Citywide basis (except in the event of natural disasters as determined by the Mayor or the City Council, such as floods and earthquakes).

3.2.3.3 Changes Mandated by Federal or State Law. This Agreement shall not preclude the application to the Project of changes in or additions to the Applicable Rules, including without limitation rules, regulations, ordinances, and official policies, to the extent that such changes or additions are mandated to be applied to developments such as this

Project by federal or state laws, rules, or regulations. In the event that federal or state laws, rules, or regulations prevent or preclude compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended as may be necessary to comply with such laws, rules, or regulations.

3.2.4 Subsequent Development Review. The City shall not require the Developer to obtain any approvals or permits for the development of the Project in accordance with this Agreement other than those permits or approvals that are required by the Applicable Rules, the Project Approvals, or the Reserved Powers. However, any subsequent Discretionary Action initiated by the Developer that substantially changes the permitted uses or substantially increases the height, density, or floor area allowed under the Project Approvals shall be subject to the rules, regulations, ordinances, and official policies of the City then in effect; provided that no such subsequent Discretionary Action, when approved, shall in and of itself constitute grounds for the termination of this Agreement or otherwise affect the enforceability of this Agreement with respect to the development of the Property. The Parties agree that this Agreement does not modify, alter, or change the City's obligations pursuant to CEQA and acknowledge that future Discretionary Actions may require additional environmental review pursuant to CEQA. In the event that additional environmental review is required by CEQA, the City agrees to utilize tiered environmental documents to the extent reasonable and permitted by law, as determined by the City at its sole discretion, and as provided in California Public Resources Code sections 21093 and 21094.

3.2.5 Effective Development Standards. The City agrees that it is bound to permit the uses, intensities of use, and densities on this Property that are permitted by this Agreement and the Project Approvals, insofar as this Agreement and the Project Approvals so provide or as otherwise set forth in the Applicable Rules or the Reserved Powers.

3.2.6 Interim Use. The City agrees that the Developer may use the Property during the Term for any use that is otherwise permitted by the applicable zoning regulations and the General Plan in effect at the time of the interim use or pursuant to any approvals, permits, or other previously granted entitlements in effect as of the Effective Date.

3.2.7 Moratoria or Interim Control Ordinances. In the event an ordinance, resolution, policy, or other measure is enacted, whether by action of the City, by initiative, or otherwise, that relates directly or indirectly to the Project or to the rate, amount, timing, sequencing, or phasing of the development or construction of the Project on all or any part of the Property or the implementation of the Mitigation Measures adopted in connection with approval of the Project, City agrees that such ordinance, resolution, or other measure shall not apply to the Property, the Project or this Agreement, unless such changes are adopted pursuant to the Reserved Powers or other applicable provisions of this Agreement.

3.2.8 Special Taxes and Assessments. The Developer shall not be obligated to support infrastructure financing undertaken by the City or others. Developer shall have the right, to the extent permitted by law, to protest, oppose, and vote against any and all special taxes,

assessments, levies, charges, or fees imposed with respect to any assessment districts, Mello-Roos or community facilities districts, maintenance districts, or other similar districts.

3.2.9 Impact Fees. Impact Fees imposed by the City with respect to the Project shall be only those Impact Fees in full force and effect as of the Effective Date, the amounts of which are subject to ongoing annual increases, which shall be calculated at time of payment. The installation of improvements identified in the Mitigation Measures or the Conditions of Approval implemented in connection with the Project shall be accepted by the City in lieu of otherwise applicable Impact Fees. This Agreement shall not limit any impact fees, linkage fees, exaction, assessments or fair share charges, or other similar fees or charges imposed by other governmental entities and that the City is required to collect or assess pursuant to applicable law (e.g., school district impact fees pursuant to California Government Code section 65995).

3.2.10 Processing Fees. The Developer shall pay all Processing Fees for Ministerial Permits and Approvals.

3.2.11 Timeframes for Processing and Review of Permits. In recognition of the importance of timely processing and review of Ministerial Permits and Approvals for the Project, the City agrees that it shall work in good faith with the Developer to establish timeframes for processing and reviewing such Ministerial Permits and Approvals and make reasonable efforts to comply with such timeframes.

4. ANNUAL REVIEW

4.1 Annual Review. During the Term, the City shall annually review good faith compliance with this Agreement by the Developer and any Transferee. Such periodic review shall be limited in scope to good faith compliance with the provisions of this Agreement as provided in the Development Agreement Act, and the Developer and any Transferee shall have the burden of demonstrating such good faith compliance relating solely to such parties' portion of the Property and any development located thereon.

4.2 Predetermination Procedure. Submission by the Developer or any Transferee of compliance with this Agreement, in a form that the Planning Director may reasonably establish, shall be made in writing and transmitted to the Planning Director no later than sixty (60) days before the annual anniversary of the Effective Date. The public shall be afforded an opportunity to submit written comments regarding compliance to the Planning Director at least sixty (60) days before the annual anniversary of the Effective Date. All such public comments and final staff reports shall, upon receipt by the City, be made available as soon as reasonably feasible to the Developer or any Transferee, as the case may be.

4.3 Planning Director's Determination. On or before the annual anniversary of the Effective Date, the Planning Director shall make a determination regarding whether or not the Developer or any Transferee, as the case may be, has complied in good faith with the provisions and conditions of this Agreement. This determination shall be made in writing with reasonable specificity, and a copy of the determination shall be provided to the Developer or any Transferee, as the case may be, in the manner prescribed in Section 6.13.

4.4 Appeal by Developer or Transferee. In the event that the Planning Director makes a finding and determination of noncompliance, the Developer or any Transferee, as the case may be, shall be entitled to appeal that determination to the Planning Commission. After a public hearing on the appeal, the Planning Commission shall make written findings and determinations, on the basis of substantial evidence, whether or not Developer or any Transferee, as the case may be, has complied in good faith with the provisions and conditions of this Agreement. If the Planning Commission determines that the Developer or any Transferee, as the case may be, has complied with the provisions and conditions of this Agreement, such determination shall be final and effective. Nothing in this Section 4.4 or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter section 245.

4.5 Period to Cure Noncompliance. If as a result of the annual review procedure, it is found and determined by the Planning Director or, on appeal, the Planning Commission that Developer or any Transferee, as the case may be, has not complied in good faith with the provisions and conditions of this Agreement, the City, after denial of any appeal or, where no appeal is taken, after the expiration of the appeal period prescribed in Section 6.3, shall submit to the Developer or any Transferee, as the case may be, by registered/certified mail, return receipt requested, a written notice of noncompliance in the manner prescribed in Section 6.13, stating with specificity those obligations of the Developer or any Transferee, as the case may be, that have not been performed. Promptly upon receipt of the notice of noncompliance, the Developer or any Transferee, as the case may be, shall commence to cure the identified items of noncompliance and shall complete the cure of such items of noncompliance no later than sixty (60) days after receipt of the notice, or such longer period as is reasonably necessary to remedy such items of noncompliance, by mutual consent of the City and the Developer or the Transferee, as the case may be, provided that the Developer or any Transferee, as the case may be, shall continuously and diligently pursue such remedy until the items of noncompliance are cured.

4.6 Failure to Cure Noncompliance Procedure. If the Planning Director finds and determines that the Developer or any Transferee, as the case may be, has not cured or commenced to cure an item of noncompliance pursuant to this Article 4, and that the City intends to terminate or modify this Agreement or those transferred or assigned rights and obligations, as the case may be, the Planning Director shall make a report to the Planning Commission. The Planning Director shall then set a date for a public hearing before the Planning Commission in accordance with the notice and hearing requirements of California Government Code sections 65867 and 65868. If after such public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that the Developer or any Transferee, as the case may be, has not brought the Project into compliance pursuant to this Article 4, and that the City may terminate or modify this Agreement, the finding and determination shall be appealable to the City Council in accordance with Section 6.3. In the event of a finding and determination of compliance, there shall be no appeal by any person or entity. Nothing in this Section 4.6 or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter section 245.

4.7 Termination or Modification of Agreement. The City may terminate or modify this Agreement or those transferred or assigned rights and obligations, as the case may be, after a

finding or determination of noncompliance by the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 6.3. There shall be no modifications of this Agreement unless the City Council acts pursuant to California Government Code sections 65867.5 and 65868, irrespective of whether an appeal is taken as provided in Section 6.3.

4.8 Reimbursement of Costs. The Developer or any Transferee, as the case may be, shall reimburse the City for its actual costs, reasonably incurred, to accomplish the required annual review.

4.9 Evidence of Compliance Applicable to a Particular Property. Notwithstanding anything to the contrary in this Article 4 or any other provision of this Agreement, a Transferee of all or any portion of the Property shall only be responsible for submitting evidence of compliance with this Agreement as it relates solely to that portion of the Property transferred, assigned, or conveyed to such Transferee in an Assignment Agreement authorized by Section 6.8.

4.10 City's Rights and Remedies Against a Transferee. The City's rights in this Article 4t relating to compliance with this Agreement by a Transferee shall be limited to only those rights and obligations assumed by a Transferee under this Agreement and as expressly set forth in the applicable Assignment Agreement authorized by Section 6.8.

4.11 Confirmation. From time to time when reasonable, the Developer or a Transferee of any portion of the Property may, separate and apart from the annual review process, submit a written request for confirmation from the Planning Director that certain obligations of this Agreement have been satisfied. Within sixty (60) days of the submission of such a written request, the Planning Director shall issue a written confirmation stating either that the obligations have been satisfied or setting forth the reasons why the obligations have not been satisfied. The requesting Developer or Transferee shall reimburse the City for its actual costs, reasonably incurred, to prepare the requested written confirmation.

5. DEFAULT PROVISIONS

5.1 Default by Developer.

5.1.1 Default. In the event that the Developer or any Transferee of a portion of the Property does not perform its obligations under this Agreement applicable to its portion of the Property, as specified in the applicable Assignment Agreement, in a timely manner and in full compliance with this Agreement, the City shall have all rights and remedies provided by this Agreement or by law, including without limitation modifying or terminating this Agreement; provided, however, that such rights and remedies of the City shall relate exclusively to the defaulting party and such defaulting party's portion of the Property. In no event shall a default by the Developer or a Transferee of any portion of the Property constitute a default by a non-defaulting Developer or Transferee with respect to such non-defaulting parties' obligations under this Agreement or affect such non-defaulting parties' rights under this Agreement or their respective portions of the Property.

5.1.2 Notice of Default. The City through the Planning Director shall first submit to the Developer or any Transferee, as the case may be, by registered/certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 6.13, identifying with specificity those obligations of the Developer or the Transferee, as the case may be, that have not been performed. Promptly upon receipt of the notice of default, the Developer or the Transferee, as the case may be, shall commence to cure the identified default and shall complete the cure of such default no later than sixty (60) days after receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default, by mutual consent of the City and the Developer or the Transferee, as the case may be, provided that the Developer or the Transferee, as the case may be, shall continuously and diligently pursue such remedy until the default is cured. In the case of a dispute as to whether the Developer or any Transferee, as the case may be, has cured the default, the relevant Parties shall submit the matter to dispute resolution pursuant to Section 6.5.

5.1.3 Failure to Cure Default Procedures. If after the elapse of the cure period, the Planning Director finds and determines that the Developer or any Transferee, as the case may be, remains in default and that the City intends to terminate or modify this Agreement, the Planning Director shall make a report to the Planning Commission and then set a public hearing before the Planning Commission in accordance with the notice and hearing requirements of California Government Code sections 65867 and 65868. If after the public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that the Developer or the Transferee, as the case may be, has not cured such default pursuant to this Section 5.1, and that the City intends to terminate or modify this Agreement, the Developer or the Transferee, as the case may be, shall be entitled to appeal that finding and determination to the City Council in accordance with Section 6.3. In the event of a finding and determination that all defaults are cured, there shall be no appeal by any person or entity. Nothing in this Section 5.1.3 or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter section 245.

5.1.4 Termination or Modification of Agreement. The City may terminate or modify this Agreement relating solely to the defaulting Developer or Transferee, as the case may be, and such defaulting parties' portion of the Property after the final determination of the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 6.3 relating to the defaulting parties' rights and obligations under this Agreement. There shall be no termination or modification of this Agreement unless the City Council acts pursuant to Section 6.3.

5.2 Default by the City.

5.2.1 Default. In the event that the City defaults under the provisions of this Agreement, the Developer and any Transferee, as the case may be, shall have all rights and remedies provided by this Agreement or by law, which shall include compelling the specific performance of the City's obligations under this Agreement, provided that the Developer or the Transferee, as the case may be, has first complied with the procedures in Section 5.2.2. The Developer or any Transferee, as the case may be, shall have such rights and remedies only to the

extent that the City's default directly affects the Developer's or the Transferee's portion of the Property or its rights and obligations under this Agreement. No part of this Agreement shall be deemed to abrogate or limit any immunities or defenses that the City may otherwise have with respect to claims for monetary damages.

5.2.2 Notice of Default. The Developer or any Transferee, as the case may be, shall first submit to the City a written notice of default stating with specificity those obligations that have not been performed. Promptly upon receipt of the notice of default, the City shall commence to cure the identified default and shall complete the cure of such default no later than one hundred twenty (120) days after receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default, by mutual consent of the City and the Developer or the Transferee, as the case may be, provided that the City shall continuously and diligently pursue such remedy until the default is cured. In the case of a dispute as to whether the City has cured the default, the Parties shall submit the matter to dispute resolution pursuant to Section 6.5 below.

5.3 No Monetary Damages. Notwithstanding anything to the contrary in this Agreement, neither Party or any Transferee—including any successors, assigns, or transferees of such Parties and Transferee—shall be liable to the other Party for monetary damages arising from or relating to the performance or breach of this Agreement, except with respect to the indemnification obligations set forth in Section 6.12.

6. GENERAL PROVISIONS

6.1 Effective Date. This Agreement shall be effective as of the Effective Date, defined in Section 1.11.

6.2 Term. The Term of this Agreement shall commence on the Effective Date and shall extend for a period of fifteen (15) years after the Effective Date, unless said Term is otherwise terminated, modified, or extended by circumstances set forth in this Agreement. Following the expiration of the Term, this Agreement shall terminate and be of no further force or effect; provided, however, that this termination shall not affect any right or obligation arising from entitlements or approvals, including the Project Approvals, approved concurrently with or subsequent to the Effective Date. The Term shall be automatically extended (A) for the period of time of any actual delay resulting from (1) legislative actions pursuant to the City's exercise of its Reserved Powers resulting in development/construction moratoria or (2) court actions, including appeals but excluding bankruptcy and similar proceedings, that enjoin performance under this Agreement, or (B) for the period of time during which a court action challenging the Project Approvals, including this Development Agreement, has been filed and is pending in a court of competent jurisdiction, including any appellate court.

6.3 Appeals to City Council. Where the right to an appeal by the Developer or any Transferee, as the case may be, to the City Council from a finding or determination of the Planning Commission is established by this Agreement, such appeal shall be taken, if at all, within fourteen (14) days after the mailing of such finding or determination to the Developer or any Transferee, as the case may be. The City Council shall act upon the finding or determination

of the Planning Commission within eighty (80) days after such mailing, or within such additional period as may be mutually agreed upon by the Developer or any Transferee, as the case may be, and the City Council. The failure of the City Council to act shall not be deemed a denial or an approval of the appeal, which shall remain pending until final City Council action.

6.4 Enforced Delay; Extension of Time for Performance. In addition to specific provisions of this Agreement, whenever a period of time, including a reasonable period of time, is designated within which a Party is required to do or complete any act, matter, or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days during which such Party is actually prevented from or is unreasonably interfered with the doing or completion of such act, matter, or thing due to causes beyond the reasonable control of the Party to be excused, including without limitation wars, insurrections, pandemics, riots, floods, earthquakes, fires, casualties, litigation and administrative proceedings against the Project (excluding any administrative proceedings contemplated by this Agreement in the normal course of affairs [e.g., annual reviews pursuant to Article 4]), any approval required by the City (excluding any period of time normally expected for the processing of such approvals in the ordinary course of affairs), restrictions imposed or mandated by other governmental agencies, enactment of conflicting state or federal laws or regulations, judicial decisions, the exercise of the City's Reserved Powers, or similar bases for excused performance that are not within the reasonable control of the Party to be excused (financial inability excepted). This Section 6.4 shall not be applicable to any proceedings with respect to bankruptcy or receivership initiated by or on behalf of the Developer or, if not dismissed within ninety (90) days, by any third parties against the Developer. Written notice of any such putative delay shall be given by the Party seeking the extension of time to the other Party within thirty (30) days of the commencement of the delay. Failure to provide such written notice within thirty (30) days of the commencement of the delay shall constitute a waiver of this Section 6.4 and any right to any extension of time hereunder. An extension of time for a Party's performance of a contractual obligation pursuant to this Section 6.4 shall not constitute an extension of the Term, which is governed exclusively by Sections 6.2 and 6.5.4.

6.5 Dispute Resolution.

6.5.1 Dispute Resolution Proceedings. The Parties may agree to dispute resolution proceedings to resolve disputes or questions of interpretation under this Agreement fairly and expeditiously. Such dispute resolution proceedings may include (A) procedures developed by the City for expeditious interpretation of questions arising under development agreements, (B) arbitration as provide below; or (C) any other manner of dispute resolution that is mutually agreed upon by the Parties.

6.5.2 Arbitration. Any dispute between the Parties that is to be resolved by binding or nonbinding arbitration shall be settled and decided by arbitration conducted by an arbitrator who must be a former judge/justice of the Los Angeles County Superior Court, the California Second District Court of Appeal, or the California Supreme Court. This arbitrator shall be selected by mutual agreement of the Parties. Upon appointment of the arbitrator, the matter shall be scheduled for arbitration neither less than thirty (30) days nor more than ninety

(90) days from the effective date of the appointment of the arbitrator. The arbitration shall be conducted under the procedures set forth in California Code of Civil Procedure section 638 et seq., or under such other procedures as are agreeable to both Parties, except that provisions of the California Code of Civil Procedure pertaining to discovery and the provisions of the California Evidence Code shall be applicable to any such proceeding.

6.5.3 Extension of Term During Dispute Resolution Proceedings. The Term, as set forth in Section 6.2, shall automatically be extended for the period of time during which the Parties are actively engaged in dispute resolution to the extent that such extension of the Term is reasonably necessary because activities that would have been completed before the expiration of the Term are unavoidably delayed beyond the scheduled expiration of the Term as a direct result of the dispute resolution proceedings.

6.6 Legal Action. Subject to the limitations on liability, remedies, and relief established by this Agreement, a Party may, in addition to any other rights, remedies, or relief otherwise available thereto, institute legal action to cure, correct, or remedy any default, enforce any provision of this Agreement, enjoin any threatened or attempted breach, or compel specific performance of the other Party's obligations under this Agreement. Notwithstanding the foregoing, the City's right to seek specific performance shall be limited to compelling the Developer to complete, demolish, or make safe any particular improvement on public land that is required as a Mitigation Measure or Condition of Approval. The Developer shall have no liability under this Agreement (other than the potential termination of this Agreement) if the contemplated development fails to occur.

6.7 Choice of Law and Venue. This Agreement shall be governed by and construed pursuant to the laws of the State of California without regard to conflict-of-law rules. Venue for any action arising out of this Agreement shall be proper only in the County of Los Angeles, State of California.

6.8 Assignment.

6.8.1 Developer's Assignment Rights. Subject to the provisions set forth in Sections 6.8.2 and 6.8.3, the Developer shall have the right assign or transfer to a Transferee the Property or a portion thereof—together and inextricably with the rights and obligations of the Developer under this Agreement with respect to such portion of the Property—without the consent of the City. Upon such assignment or transfer, the Developer shall lose all rights and be released from all obligations so assigned or transferred, and the Transferee (and not the Developer) shall be responsible for satisfying the obligations under this Agreement that relate to the portion of the Property assigned, transferred, or otherwise conveyed to the Transferee.

6.8.2 Conditions for Assignment. No assignment or transfer authorized by this Section 6.8 shall be valid or effective until and unless the following conditions are fully satisfied:

6.8.2.1 Written Notice of Assignment. The Developer shall give thirty (30) days' prior written notice to the City of the Developer's intention to assign or transfer the Property or a portion thereof, along with a complete disclosure of the identity of the Transferee,

including copies of the Transferee’s governing corporate documents (e.g., Articles of Incorporation, Bylaws, Articles of Organization, and Partnership Agreements and Certificates) and the names of the Transferee’s executive officers, managing members, and partners. Upon request by the Developer, City shall provide written acknowledgement of such assignment or transfer in the form reasonably requested by the Developer. Any failure by the Developer to provide such notice to the City shall be curable in accordance with the provisions of Section 5.1.

6.8.2.2 Written Assignment Agreement. Any Transferee of the Property or a portion thereof shall expressly and unconditionally assume all of the Developer’s obligations hereunder that relate to the portion of the Property being assigned or transferred to the Transferee. Such express and unconditional assumption shall be reflected in a written contract entered into and executed by the Developer and the Transferee (“Assignment Agreement”). The Assignment Agreement shall describe with specificity the portion of the Property, along with the associated rights and obligations, being assigned or transferred to the Transferee. The Developer shall provide a fully executed copy of the Assignment Agreement within thirty (30) days of its full execution. Any failure by the Developer to provide such Assignment Agreement to the City shall be curable in accordance with the provisions of Section 5.1.

6.8.3 **Liability upon Assignment**. Unless expressly provided otherwise in this Agreement, a Transferee of any portion of the Property shall bear sole and exclusive liability for the performance of obligations applicable to such Transferee’s portion of the Property, as specified in the applicable Assignment Agreement. If a Transferee fails to perform an obligation under this Agreement assumed thereby and assigned thereto pursuant to the Assignment Agreement, the City, subject to the provisions set forth in Section 5.1, may determine this Agreement to have been materially breached and elect to terminate or modify the Agreement, but only with respect to the portion of the Property held by the particular Transferee. Any such partial termination or modification shall not affect the remainder of this Agreement.

6.9 **Covenants**. The provisions of this Agreement—including without limitation the rights and obligations of the Parties—shall constitute covenants that shall run with the land comprising the Property and shall bind, benefit, and obligate the Parties and their successors, assignees, or transferees, including any Transferee of the Developer.

6.10 **Cooperation and Implementation**

6.10.1 **Processing**. Upon satisfactory completion by the Developer of all required preliminary actions and payment of appropriate Processing Fees, including the fee for processing this Agreement, the City shall commence and diligently process all required steps necessary for the implementation of this Agreement and development of the Property in accordance with the terms of this Agreement. The Developer shall, in a timely manner, provide the City with all documents, plans, fees, and other information necessary for the City to perform such processing steps.

6.10.2 **Other Governmental Permits**. The Developer shall apply in a timely manner for such other permits and approvals as may be required from other governmental or quasi-governmental agencies having jurisdiction over the Project as may be required for the

development of or the provision of services to the Project. The City shall cooperate with the Developer in its endeavors to obtain such permits and approvals.

6.10.3 Cooperation in the Event of Legal Challenge. In the event of any legal action initiated by a third party, including without limitation another governmental agency, challenging the validity of any provision of this Agreement, the Parties hereby agree to cooperate reasonably and in good faith in the legal action.

6.11 Relationship of the Parties. Nothing in this Agreement or elsewhere creates or reflects any principal-agent, joint venture, partner, or other similar relationship between the City and the Developer.

6.12 Indemnification.

6.12.1 Obligations to Defend, Indemnify, and Hold Harmless. The Developer shall defend (with legal counsel reasonably satisfactory to the City), indemnify, and hold harmless the City and its boards, commissions, officers, employees, and agents (collectively, “City Group”) from and against any third-party claim, action, or proceeding (“Proceeding”) (A) to set aside, void, or annul all or any part of the Project Approvals or (B) for any damage, loss, injury, death, fine, or penalty arising from or relating to the acts, omissions, or conduct of the Developer or its contractors, subcontractors, officers, employees, or agents. Any Transferee, as the case may be, shall defend (with legal counsel reasonably satisfactory to the City), indemnify, and hold harmless the City and City Group from and against any Proceeding (A) to set aside, void, or annul any part of the Project Approvals applicable to the portion of the Property assigned or transferred to the Transferee or (B) for any damage, loss, injury, death, fine, or penalty arising from or relating to the acts, omissions, or conduct of such Transferee or its contractors, subcontractors, officers, employees, or agents. Upon being served with a lawsuit or other legal process regarding any such Proceeding, City shall promptly notify the Developer or the Transferee, as the case may be, of the Proceeding and reasonably and in good faith cooperate in the defense thereof.

6.12.2 Defending the Project Approvals. The Developer or a Transferee, as the case may be, at its sole cost and expense, shall have the obligation to retain competent legal counsel promptly to defend against any Proceeding to set aside, void, or annul all or any part of any Project Approval. The City shall have the right, if it so elects at its sole discretion, to defend against such a Proceeding using inhouse legal staff or to retain outside legal counsel to represent the City. Irrespective of whether the City elects to use inhouse staff or outside counsel, the Developer or the Transferee, as the case may be, shall be liable for all costs and fees (including attorneys’ fees) reasonably incurred by the City in defending against the Proceeding.

6.12.3 Waiver of Right to Challenge. The Developer and each Transferee thereof hereby waive the right to challenge the validity or enforceability of the obligations set forth in this Section 6.12.

6.12.4 **Survival.** The obligations set forth in this Section 6.12 shall survive the expiration or termination of this Agreement or any judicial decision invalidating the Project Approvals.

6.13 **Notices.** Any notice or communication required under this Agreement must be in writing and shall be given either by personal service or by registered/certified mail, return receipt requested. Where registered/certified mail is used, a notice shall be deemed to have been given on the earlier of (A) the date of actual receipt by the Party to whom the notice is addressed or (B) five (5) days after a registered/certified letter containing such notice, properly addressed, with postage prepaid, is deposited with the United States Postal Service. Where personal service is used, a notice shall be deemed to have been given on the date the notice is personally delivered to the Party to whom the notice is addressed. A Party may, by giving ten (10) days' written notice to the other Party, designate any other address in substitution of the address to which such notices or communication shall be delivered. Such notices or communications shall be given to the Parties at the following addresses:

To City:

City of Los Angeles
Attention: Director of Planning
200 North Spring Street
Los Angeles, CA 90012

With a courtesy copy to:

Los Angeles City Attorney's Office
Real Property/Environment Division
Los Angeles City Attorney's Office
7th Floor, City Hall East
200 North Main Street
Los Angeles, CA 90012

To Developer:

NoHo Development Associates, LLC
Attention: Greg Ames
2221 Rosecrans Avenue, Suite 200
El Segundo, CA 90245

With a courtesy copy to:

Armbruster Goldsmith & Delvac LLP
Attention: David A. Goldberg
12100 Wilshire Blvd., Suite 1600
Los Angeles, CA 90025

6.14 **Recordation.** As provided in California Government Code section 65868.5, this Agreement shall be recorded with the Registrar-Recorder of the County of Los Angeles within ten (10) days following the Effective Date. The Developer shall provide the City Clerk with the fees for such recording before or at the time of such recording should the City Clerk record the Agreement.

6.15 **Constructive Notice and Acceptance.** Every person who now or hereafter owns or acquires any right, title, interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Property.

6.16 **Successors and Assignees.** Except as expressly provided otherwise in Section 6.8, the provisions of this Agreement shall be binding upon and shall inure to the benefit

of the Parties, any subsequent owner or ground lessee of all or any portion of the Property, and their respective successors and assignees.

6.17 **Severability.** If any provision, condition, or covenant of this Agreement, or the application of such provision, condition, or covenant to a particular Party or circumstance, shall be held invalid or unenforceable, the remainder of this Agreement or the application of such provision, condition, or covenant to persons or circumstances other than the Party or the circumstance it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

6.18 **Time of the Essence.** Time is of the essence for each provision of this Agreement for which time is an element.

6.19 **Waiver.** No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought and refers expressly to this Section 6.19. No waiver of any right or remedy with respect to any occurrence or event shall be deemed a waiver of any right or remedy with respect to any other occurrence or event.

6.20 **No Third-Party Beneficiaries.** The only parties to this Agreement are the City and the Developer and their successors-in-interest. There are no third-party beneficiaries under this Agreement. This Agreement is neither intended nor shall it be construed to benefit or be enforceable by any other person.

6.21 **Entire Agreement.** This Agreement sets forth and contains the entire understanding and agreement of the Parties, and there are no oral or written representations, understandings, or ancillary covenants, undertakings, or agreements that are not integrated or expressly referenced herein. No testimony or other evidence of any such representations, understandings, or ancillary covenants, undertakings, or agreements shall be admissible in any proceeding of any kind or nature to interpret the provisions or conditions of this Agreement.

6.22 **Legal Advice; Neutral Interpretation; Headings and Table of Contents.** Each Party acknowledges that it has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions of this Agreement. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any Party based upon any attribution to such Party as the source of the language in question. The Agreement's headings and table of contents, if any, are for the convenience of reference only and shall not be used in construing this Agreement.

6.23 **Mortgagee Rights.**

6.23.1 **Developer's Discretion to Encumber.** This Agreement shall not prevent or limit the Developer, at its sole discretion, from encumbering the Property, any portion thereof, or improvement thereon by any mortgage, deed of trust, or other security device securing financing with respect to the Property or the improvements thereon. The City acknowledges that lenders providing such financing ("Mortgagee") may require information regarding this Agreement and the Project, and accordingly, agrees to make good faith efforts to meet with and

provide such information, including where appropriate in written form (e.g., estoppel certificates), to the Developer and such lenders in a timely manner upon their reasonable written request.

6.23.2 Mortgage Not Rendered Invalid. To the extent legally permissible, this Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any Mortgage. Notwithstanding the foregoing, neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish, or impair the priority of the lien of any mortgage or deed of trust on the Property made in good faith and for value. No Mortgagee shall have an obligation or duty under this Agreement to perform the Developer's obligations, or to guarantee such performance, before taking title to all or a portion of the Property (subject to the applicable provisions of this Section 6.23).

6.23.3 Request for Notices of Noncompliance/Default. Each Mortgagee that has submitted a written request to the City in the manner specified herein for giving notices shall be entitled to receive a copy of any notice of noncompliance/default by the Developer in the performance of the Developer's obligations under this Agreement.

6.23.4 Mortgagee's Right to Cure. If the City receives a written request from a Mortgagee to be provided a copy of any notice of noncompliance/default by the Developer in the performance of the Developer's obligations under this Agreement, the City shall provide the Mortgagee with copies of such notices within ten (10) days of sending such notices to the Developer. Provided that the Mortgagee is otherwise legally entitled to do so, the Mortgagee shall have the right, but not the obligation, to cure the noncompliance/default within sixty (60) days after receipt of the notice of noncompliance/default, or such longer period as is reasonably necessary to remedy such default, by mutual consent of the City and the Mortgagee, provided that the Mortgagee continuously and diligently pursues such remedy until the noncompliance/default is cured.

6.23.5 Disaffirmation. If this Agreement is either (A) terminated as to any portion of the Property due to the Developer's default or (B) disaffirmed or otherwise canceled by a receiver, liquidator, or trustee for the Developer or the Property as a result of a bankruptcy or other insolvency proceeding, the City, if requested by the Mortgagee with the most senior lien position as to the portion of the Property, shall negotiate in good faith with the Mortgagee for a new development agreement for the Project as to such portion of the Property. Nothing in this Section 6.23.5 or this Agreement obligates the City or any Mortgagee to enter into a new development agreement.

6.23.6 Modifications. If any actual or potential Mortgagee should, as a condition of providing financing for all or a portion of the Property or any improvements thereon, request any modification of this Agreement in order to protect its interests in the Property, any portion thereof, or improvements thereon, the City shall consider such request in good faith consistent with the purpose and intent of this Agreement and the rights and obligations of the Parties under this Agreement.

6.24 **Tentative Maps.** Pursuant to California Government Code section 66452.6(a), the duration of tentative maps filed in connection with the Project shall automatically be extended for the Term.

6.25 **Amendments.** This Agreement may be amended, or canceled in whole or in part, by mutual consent of the Parties or their successors in interest pursuant to California Government Code section 65868. If neither the portion of the Property transferred, assigned, or conveyed to a Transferee nor such Transferee's rights and obligations under this Agreement are directly or indirectly affected by a proposed amendment to this Agreement, the Transferee's consent is not required to amend the Agreement.

6.26 **Certificate of Performance.** Upon the completion of the Project or upon the performance or earlier termination of this Agreement, the City shall provide the Developer, upon the Developer's request, with a statement ("Certificate of Performance") confirming such completion, performance, or termination and the release of the Developer from further obligations under this Agreement, except for any ongoing obligations under this Agreement. The Certificate of Performance shall be signed by the appropriate agents of the City and the Developer and shall be recorded in the official records of the County of Los Angeles, California. Such Certificate of Performance is not a notice of completion as referred to in California Civil Code section 8182.

6.27 **Counterparts.** This Agreement shall be executed in duplicates, each of which shall be deemed to be an original. This Agreement, excluding the Cover Page and the Table of Contents, comprises twenty-five (25) pages and one (1) exhibit.

Signatures on next page

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date of the attestation by the Office of the Los Angeles City Clerk.

CITY OF LOS ANGELES, a municipal corporation of the State of California

Approved as to form:
OFFICE OF THE LA CITY ATTORNEY

By: _____
Karen Bass, Mayor

By: _____
Saro Balian, Deputy City Attorney

Date: _____

Date _____

Attest:
OFFICE OF THE LA CITY CLERK

By: _____
Deputy

Date _____

NOHO DEVELOPMENT ASSOCIATES, LLC, a Delaware limited liability company

Approved as to form:
ARMBRUSTER GOLDSMITH & DELVAC LLP

By: TC NoHo Member, LLC, a Delaware limited liability company

By: _____
David A. Goldberg, Partner

By: TC LA Development, Inc., a Delaware corporation

Date _____

By: _____
Name, Title

Date: _____

By: _____
Name, Title

Date: _____

EXHIBIT A

Legal Description of the Property

SUBAREAS 0-EAST, 1, 2, 3, 4, 5 AND 6

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1: (APN 2350-012-925)

LOTS 1 AND 2 IN BLOCK 9 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2: (APN 2350-012-927)

LOT 4 IN BLOCK 9 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3: (APN 2350-012-928)

LOT 5, IN BLOCK 9 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 4: (APN 2350-012-929)

LOT 6 IN BLOCK 9 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 5: (APN 2350-012-930)

LOT 7 IN BLOCK 9 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 6: (APN 2350-012-931)

LOT 8 IN BLOCK 9, OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 7A: (APN 2350-012-923)

THE NORTH 50 FEET OF LOTS 16 AND 18, IN BLOCK 9, TOWN OF TOLUCA, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON RECORDER'S FILED MAP NO. 515, ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THE WEST 30 FEET OF LOT 19 IN SAID BLOCK 9.

EXCEPT THE SOUTH 100 FEET OF SAID LOT 19.

PARCEL 7B: (APN 2350-012-924)

LOTS 16, 17 AND 18 IN BLOCK 9, TOWN OF TOLUCA, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP OF THE TOWN OF TOLUCA FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY ON JANUARY 31, 1895.

EXCEPT THE NORTH 50 FEET OF LOTS 16 AND 18, MEASURED AT RIGHT ANGLES TO THE NORTH LINE OF SAID LOT 16 AND THE WEST 30 FEET OF THE SOUTH 100 FEET OF SAID LOT 19.

PARCEL 8: (APNS 2350-012-932, 933, 934, 935, 936, 937)

LOTS 9, 10, 11, 12, 13, 14 AND 15 IN BLOCK 9 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 9: (APN 2350-012-926)

LOT 3 IN BLOCK 9 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 10: (APN 2350-012-938)

ALL OF LOTS 19 TO 29, INCLUSIVE, EXCEPT THE WEST 30 FEET OF SAID LOT 19, ALL IN BLOCK 9 OF TOLUCA, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS DESIGNATED ON MAP FILED IN THE OFFICE OF THE RECORDER OF SAID COUNTY ON JANUARY 31, 1895, TOGETHER WITH THAT PORTION OF THE VACATED STREETS AND ALLEY ADJOINING SAID LOTS ON THE NORTH, SOUTH AND EAST AS VACATED BY RESOLUTION TO VACATE NO. 02-1400494, RECORDED AUGUST 6, 2003 AS INSTRUMENT NO. 03-2267607 AND BY RESOLUTION TO VACATE NO. 04-1400494-R, RECORDED JULY 8, 2004 AS INSTRUMENT NO. 04-1743825, BOTH OF OFFICIAL RECORDS.

PARCEL 11: (APN 2350-012-922)

ALL THAT CERTAIN PIECE OF PARCEL OF LAND SITUATED IN THE RANCHO EX-MISSION DE SAN FERNANDO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PORTION OF THE 100 FOOT STRIP OF LAND CONVEYED TO SOUTHERN PACIFIC RAILROAD COMPANY, BY PACIFIC IMPROVEMENT COMPANY, BY DEED DATED DECEMBER 30, 1893, RECORDED IN BOOK 946 PAGE 317 OF DEEDS, RECORDS OF SAID COUNTY, BLOCK 160 OF THE LANKERSHIM RANCH LAND AND WATER COMPANY, SUBDIVISION OF THE EAST 12,000 ACRES OF THE RANCHO EX-MISSION OF SAN FERNANDO, ACCORDING TO THE MAP RECORDED IN BOOK 31 PAGE 39 TO 44 INCLUSIVE OF MAPS, RECORDS OF SAID COUNTY AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF LANKERSHIM BOULEVARD, 80 FEET WIDE (FORMERLY FERNANDO AVENUE) , AS SHOWN IN SAID BLOCK 160 ON SAID MAP OF SAID LANKERSHIM RANCHO LAND AND WATER COMPANY, SUBDIVISION WITH THE SOUTHERLY LINE OF SAID STRIP OF LAND 100 FEET IN WIDTH; THENCE EASTERLY ALONG THE SAID SOUTHERLY LINE OF SAID 100 FOOT STRIP OF LAND, A DISTANCE OF 300 FEET TO THE TRUE POINT OF BEGINNING; THENCE FROM SAID TRUE POINT OF BEGINNING NORTHERLY AT RIGHT ANGLES 100 FEET TO A POINT IN THE NORTHERLY LINE OF SAID 100 FOOT STRIP OF LAND, SAID NORTHERLY LINE BEING PARALLEL WITH AND 30 FEET SOUTHERLY AT RIGHT ANGLES FROM THE CENTER LINE OF THE MAIN TRACK OF THE SOUTHERN PACIFIC RAILROAD COMPANY; THENCE EASTERLY ALONG SAID NORTHERLY LINE, 60 FEET; THENCE SOUTHERLY AT RIGHT ANGLES 100 FEET TO A POINT IN SAID SOUTHERLY LINE; THENCE WESTERLY ALONG SAID SOUTHERLY LINE 60 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 12: (APN 2350-012-921)

ALL THAT CERTAIN PIECE OF PARCEL LAND SITUATED IN RANCHO EX-MISSION DE SAN FERNANDO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PORTION OF THE 100-FOOT STRIP OF LAND CONVEYED TO SOUTHERN PACIFIC RAILROAD COMPANY BY

PACIFIC IMPROVEMENT COMPANY, BY DEED DATED DECEMBER 30, 1893, RECORDED IN BOOK 946 PAGE 317 OF DEEDS, RECORDS OF SAID COUNTY, IN BLOCK 160 OF THE LANKERSHIM RANCH LAND AND WATER COMPANY'S SUBDIVISION OF THE EAST 12,000 ACRES OF THE RANCHO EX-MISSION OF SAN FERNANDO, ACCORDING TO THE MAP RECORDED IN BOOK 31 PAGES 39 TO 44 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF LANKERSHIM BOULEVARD, 80 FEET WIDE (FORMERLY SAN FERNANDO AVENUE), AS SHOWN IN SAID BLOCK 160 ON SAID MAP OF SAID LANKERSHIM RANCH LAND AND WATER COMPANY'S SUBDIVISION, WITH THE SOUTHERLY LINE OF SAID STRIP OF LAND, 100 FEET IN WIDTH; THENCE EASTERLY ALONG THE SAID SOUTHERLY LINE OF SAID 100-FOOT STRIP OF LAND, DISTANCE OF 300 FEET; THENCE NORTHERLY AT RIGHT ANGLES, 100 FEET TO A POINT IN THE NORTHERLY LINE OF SAID 100-FOOT STRIP OF LAND; THENCE WESTERLY ALONG SAID NORTHERLY LINE 350.32 FEET TO A POINT IN THE SAID NORTHEASTERLY LINE OF LANKERSHIM BOULEVARD; THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE OF LANKERSHIM BOULEVARD, 111.94 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 13: (APN 2350-012-906)

THE WEST 150 FEET OF LOT 1, BLOCK 12 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 14: (APN 2350-012-907)

THE WESTERLY 150 FEET OF THAT PORTION OF LOT 1 IN BLOCK 2 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT; THENCE NORTHERLY ALONG THE WEST LINE OF SAID LOT, 206.88 FEET TO THE SOUTH LINE OF THE NORTH 262 FEET OF SAID LOT; THENCE EASTERLY ALONG SAID SOUTH LINE 242.54 FEET; THENCE SOUTHERLY IN A DIRECT LINE TO A POINT IN THE SOUTH LINE OF SAID LOT, DISTANT EASTERLY 241.60 FEET FROM THE POINT OF BEGINNING; THENCE WESTERLY ALONG SAID SOUTH LINE 241.60 FEET TO THE POINT OF BEGINNING.

PARCEL 15: (APN 2350-012-908)

THE WEST 150.00 OF THE NORTH 262.00 FEET OF LOT 1 IN BLOCK 2 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 16: (PTNS 2350-012-920)

INTENTIONALLY DELETED

PARCEL 17: (APN 2350-013-920)

THE SOUTHERLY 30 FEET OF LOT 146 AND THE NORTHERLY 30 FEET OF LOT 161, OF THE LANKERSHIM RANCH LAND AND WATER CO'S SUBDIVISION OF THE EAST 12,000 ACRES, OF THE SOUTH HALF OF THE RANCHO EX-MISSION OF SAN FERNANDO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 31 PAGES 39 ET SEQ. OF MISCELLANEOUS RECORDS.

EXCEPT THEREFROM THAT PORTION OF SAID LOTS 146 AND 161 LYING WESTERLY OF THE SOUTHERLY PROLONGATION OF THE WEST LINE OF LOT 1 IN BLOCK 2 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LOTS 146 AND 161 LYING EASTERLY OF THE WESTERLY LINE OF PARCEL A OF PARCEL MAP NO. 2002-6229, AND ITS SOUTHERLY PROLONGATION, AS PER MAP FILED IN BOOK 345 PAGES 80-81 OF PARCEL MAPS.

SUBAREA 8

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1: (APN 2350-016-906)

LOTS 1, 2, 3, 4, 5, 6, 7 AND 8 IN BLOCK 13 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2: (APN 2350-016-906)

LOT 12 OF BLOCK 13 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION OF SAID LOT 12 INCLUDED WITHIN THE LAND AS DESCRIBED IN THE DEED TO SECURITY TRUST AND SAVINGS BANK RECORDED JUNE 22, 1923 AS INSTRUMENT NO. 523, IN BOOK 2707 PAGE 331 OF OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WESTERLY LINE OF LANKERSHIM BOULEVARD DISTANT NORTHERLY 25 FEET MEASURED AT RIGHT ANGLES FROM THE SOUTHERLY LINE OF SAID LOT 12, WHICH POINT IS 28.01 FEET MORE OR LESS NORTHERLY FROM THE SOUTHEASTERLY CORNER OF SAID LOT 12; THENCE ALONG SAID LANKERSHIM BOULEVARD NORTH 26° 32' 45" WEST 67.22 FEET MORE OR LESS TO A POINT DISTANT NORTHERLY 85 FEET MEASURED AT RIGHT ANGLES FROM THE SOUTHERLY LINE OF SAID LOT 12; THENCE WESTERLY PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 12, 75 FEET; THENCE SOUTHERLY AT RIGHT ANGLES TO THE LAST MENTIONED LINE 60 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 12, 105.30 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

PARCEL 3: (APN 2350-016-905 and 2350-016-907)

LOTS 9, 10 AND 11 OF BLOCK 13 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF THE VACATED ALLEY ADJOINING SAID LOT 9 ON THE NORTH AS VACATED BY RESOLUTION TO VACATE NO. 02-1400785, RECORDED APRIL 14, 2006 AS INSTRUMENT NO. 2006-826646, OF OFFICIAL RECORDS.

SUBAREA 0-WEST

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT PORTION OF LOT 160 OF THE LANKERSHIM RANCH LAND AND WATER COMPANY'S SUBDIVISION OF THE EAST 12,000 ACRES OF THE SOUTH HALF OF THE RANCHO EX-MISSION OF SAN FERNANDO, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 31 PAGES 39, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS FIRST DESCRIBED IN THE DEED TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED JULY 16, 1894 IN BOOK 946 PAGE 317 OF DEEDS, AS INSTRUMENT NO. 2, IN SAID RECORDERS OFFICE.

EXCEPT THEREFROM THAT PORTION OF SAID LOT, DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF LANKERSHIM BOULEVARD, 80 FEET WIDE (FORMERLY FERNANDO AVENUE), AS SHOWN IN SAID BLOCK 160 ON SAID MAP OF SAID LANKERSHIM RANCH LAND AND WATER COMPANY'S SUBDIVISION, WITH THE SOUTHERLY LINE OF SAID STRIP OF LAND 100 FEET IN WIDTH; THENCE EASTERLY ALONG THE SAID SOUTHERLY LINE OF SAID 100 FOOT STRIP OF LAND, A DISTANCE OF 100 FEET, TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE NORTHERLY, AT RIGHT ANGLES, 100 FEET TO A POINT IN THE NORTHERLY LINE OF SAID 100 FOOT STRIP OF LAND, SAID NORTHERLY LINE BEING PARALLEL WITH AND 30 FEET SOUTHERLY, AT RIGHT ANGLES, FROM THE CENTER LINE OF THE MAIN TRACK OF THE SOUTHERN PACIFIC RAILROAD COMPANY; THENCE EASTERLY ALONG SAID NORTHERLY LINE, 60 FEET; THENCE SOUTHERLY 100 FEET TO A POINT IN THE SOUTHERLY LINE OF SAID 100 FOOT STRIP OF LAND, THAT IS 60 FEET EASTERLY THEREON FROM THE SAID TRUE POINT OF BEGINNING; THENCE WESTERLY ALONG SAID SOUTHERLY LINE, 60 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPT FROM SAID ABOVE DESCRIBED PARCEL 1, THAT PORTION OF SAID LAND AS DESCRIBED IN THE DEED TO SAFEWAY STORES, INC., RECORDED AUGUST 21, 1940 IN BOOK 17817 PAGE 98, OFFICIAL RECORDS, AS INSTRUMENT NO. 268 OF SAID COUNTY.

PARCEL 2:

THAT PORTION OF LOT 147 OF THE PROPERTY OF THE LANKERSHIM RANCH LAND AND WATER COMPANY, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 31 PAGES 39 TO 44, INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING ALL OF THE LAND DESCRIBED SECOND IN DEED FROM PACIFIC IMPROVEMENT COMPANY, TO SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED JULY 16, 1894 IN BOOK 946 PAGE 317 OF DEEDS, RECORDS OF SAID COUNTY AND MORE PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

A STRIP OF LAND 70 FEET IN WIDTH AND 660 FEET IN LENGTH, LYING NORTH OF AND ADJACENT TO AND SYMMETRICAL WITH THE RIGHT OF WAY OF SAID RAILROAD THROUGHOUT THE WHOLE OF THE SOUTHERLY END OF THE WEST ONE-HALF OF BLOCK 147 OF THE SAID LANKERSHIM RANCH LAND AND WATER COMPANY'S SUBDIVISION.

PARCEL 3:

THAT PORTION OF LOT 147 OF THE PROPERTY OF THE LANKERSHIM RANCH LAND AND WATER COMPANY, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF

CALIFORNIA, AS PER MAP RECORDED IN BOOK 31 PAGES 39 TO 44, INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING ALL OF THE LAND DESCRIBED IN DEED FROM EDMUND VARNEY, ET UX., TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED OCTOBER 3, 1893 IN BOOK 901 PAGE 6 OF DEEDS, RECORDS OF SAID COUNTY AND MORE PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

COMMENCING AT A POINT IN THE EAST BOUNDARY LINE OF LOT 147 OF THE LANKERSHIM RANCH LAND AND WATER COMPANY SUBDIVISION OF THE EAST 12,000 ACRES OF THE RANCHO EX-MISSION OF SAN FERNANDO, ACCORDING TO A MAP RECORDED IN BOOK 31 PAGES 39, ET SEQ., OF MISCELLANEOUS RECORDS OF SAID LOS ANGELES COUNTY, WHICH SAID POINT OF COMMENCEMENT IS SITUATED 30 FEET NORTHERLY FOR THE SOUTHEASTERLY CORNER OF SAID LOT 147, AND RUNNING THENCE NORTH, ALONG SAID EAST LINE OF SAID LOT 147, 70 FEET TO A POINT; THENCE WEST, PARALLEL WITH THE SOUTH LINE OF SAID LOT 147, 630 FEET TO A POINT; THENCE SOUTH, PARALLEL WITH THE SAID EAST LINE OF SAID LOT 147, 70 FEET TO A POINT; AND THENCE EAST, PARALLEL WITH SAID SOUTH LINE OF SAID LOT 147, 630 FEET TO THE POINT OF COMMENCING, REFERENCE BEING HEREBY MADE TO SAID RECORDED MAP FOR FURTHER PARTICULARS.

PARCEL 4:

THE SOUTHERLY 30 FEET OF LOTS 146 THROUGH 153 INCLUSIVE AND THE NORTHERLY 30 FEET OF LOTS 154 THROUGH 161, INCLUSIVE, OF THE LANKERSHIM RANCH LAND AND WATER CO'S SUBDIVISION OF THE EAST 12,000 ACRES, OF THE SOUTH HALF OF THE RANCHO EX-MISSION OF SAN FERNANDO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 31 PAGES 39 ET SEQ. OF MISCELLANEOUS RECORDS.

EXCEPTING THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF THAT PORTION OF SAID LOT 159 DESCRIBED IN DEED FROM SOUTHERN PACIFIC TRANSPORTATION COMPANY, A DELAWARE CORPORATION, TO ARTHUR RIPP AND PHYLLIS RIPP, HUSBAND AND WIFE AS JOINT TENANTS, RECORDED DECEMBER 29, 1987 AS INSTRUMENT NO. 2043951.

EXCEPT THEREFROM THAT PORTION OF THE AFOREMENTIONED LOTS 146 THROUGH 161, INCLUSIVE, LYING EASTERLY OF THE SOUTHERLY PROLONGATION OF THE WEST LINE OF LOT 1 IN BLOCK 2 OF LANKERSHIM, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 PAGES 114 AND 115 OF MAPS.

(PTNS 2350-102-920)

SUBAREA 7

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 8, 9, 10 AND 11 IN BLOCK 11 OF THE TOLUCA, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN THE COUNTY RECORDER'S OFFICE, JANUARY 31, 1895 IN BOOK 2 PAGE(S) 1 AND 2 OF FILED MAPS.

(APN 2350-012-902)