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20120588432



Pages:  
0027

Recorded/Filed in Official Records  
Recorder's Office, Los Angeles County,  
California

04/20/12 AT 08:00AM

FEES:	124.00
TAXES:	NEPR
OTHER:	0.00
PAID:	NEPR

PCOR SURCHARGE \$20.00



LEADSHEET



201204200170027

00005682859



003936047

SEQ:  
20

DAR - Title Company (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

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THIS INSTRUMENT FILED FOR RECORD BY FIRST AMERICAN  
TITLE INSURANCE CO. AS AN ACCOMMODATION ONLY.  
IT HAS NOT BEEN EXAMINED AS TO ITS EXECUTION  
OR AS TO ITS EFFECT UPON TITLE.

04/20/2012



\*20120588432\*

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Allen Matkins Leck Gamble  
Mallory & Natsis LLP  
Three Embarcadero Center, 12<sup>th</sup> Floor  
San Francisco, California 94111-4074  
Attn: Sonia J. Ransom, Esq.

*Handwritten initials/signature*

(Space Above For Recorder's Use)

AMENDMENT TO GRANT DEED

TRANSFER TAX  
NOT A PUBLIC RECORD

State of California  
County of Los Angeles  
City of Downey

Transfer taxes in connection with original  
conveyance not made of public record  
pursuant to Section 11932 of the California  
Revenue and Taxation Code, as amended

THIS AMENDMENT TO GRANT DEED (this "Amendment") is made as of this  
15<sup>th</sup> day of March, 2012 (the "Effective Date"), by and between THE CITY OF DOWNEY, a  
California municipal corporation ("Grantor"), and PCCP IRG DOWNEY, LLC, a Delaware  
limited liability company ("PCCP"), as to an undivided ninety percent (90%) interest, and IRG  
DOWNEY, LLC, a California limited liability company ("IRG"), as to an undivided ten percent  
(10%) interest, as tenants in common (PCCP and IRG collectively referred to herein as  
"Grantee").

WHEREAS, Grantor previously executed and delivered to Grantee that certain Grant  
Deed dated March 18, 2004 (the "Grant Deed"), and recorded on March 18, 2004, as Instrument  
No. 04-0645091 in the Official Records of Los Angeles County, California, whereby Grantor  
granted to Grantee certain parcels of real property more particularly described in the Grant Deed  
as the "Studio Parcel" and the "Building Six Property"; and

WHEREAS, Grantor and Grantee now desire to enter into this Amendment to amend  
some of the rights and obligations specified in Exhibit "D" to the Grant Deed, all subject and  
pursuant to the terms and conditions set forth in this Amendment below. The Grant Deed, as  
amended by this Amendment, is hereinafter referred to as the "Deed"

*\*attached and referenced in the Original Deed which recorded 3-18-04 as Inst # 2004-0645091.*

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of  
which are hereby acknowledged, Grantor and Grantee hereby agree to amend, modify and/or

*1350ACM JOC*

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supplement the Grant Deed, effective as of the "Effective Date," as that term is defined in Section 2, below, as follows:

1. **Capitalized Terms.** All capitalized terms when used herein shall have the same respective meanings as are given such terms in the Grant Deed, unless expressly provided otherwise in this Amendment.

2. **Profit Participation by Grantor.** Section 11.10 of Exhibit "D" to the Grant Deed is amended to read in full as follows:

*11.10 Profit Participation by Grantor. Upon the sale of the Studio Lot, and each portion thereof, as defined in Recital E herein, by Grantee and/or its successor(s) in interest under the Deed and/or this Amendment, Grantor shall be entitled to receive, as a profit participation interest ("**Grantor's Profit Participation**") an amount equal to five percent (5%) of all "Net Sales Proceeds" over a base price of \$100,000,000.00 (the "**Base Price**"). The Base Price shall be increased by ten percent (10%) every five years after the Effective Date of the Amendment. For purposes of this Section 11.10, "Net Sales Proceeds" shall be defined as the aggregate sales price(s) of the Studio Lot actually received by Grantee, less all brokerage commissions, legal fees, and title and closing costs related thereto.*

*If the Studio Property is sold in more than one piece and/or at more than one time, then for purposes of calculating the Grantor's Profit Participation, the first sale of each portion of the Property shall be included in the calculation of Net Sales Proceeds, and the total Net Sales Proceeds shall continue to aggregate until all portions of the Studio Property have been the subject of a sale at least once. Grantee shall pay the Grantor Profit Participation to Grantor concurrent with each sale of any portion of the Studio Property that yields total Net Sale Proceeds in excess of the Base Price.*

3. **Learning Center.** Grantor hereby releases Grantee from any remaining obligation(s) (if any) to grant to Grantor the right and option to lease an approximately forty thousand (40,000) square foot building (Building 290) for the operation of an aeronautical educational "Learning Center" under Section 11.6 of Exhibit "D" to the Grant Deed.

4. **Counterparts.** This Amendment may be executed and acknowledged in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

5. **Governing Law.** This Amendment is made under and shall be construed pursuant to the laws of the State of California.

[Signatures on next page]

IN WITNESS WHEREOF, Grantor and Grantee have executed this Amendment as of the day and year first above written.

"GRANTOR"

CITY OF DOWNEY,  
a California municipal corporation

By: [Signature]

Name: Robert Brossmer

Title: MMU

AKA ROGER C. BROSSMER

"GRANTEE"

PCCP IRG DOWNEY, LLC,  
a Delaware limited liability company

By: PCCP LB IRG Downey, LLC,  
its Managing Member

By: [Signature]

Name: William R. Lindsay

Title: Authorized Signatory

IRG DOWNEY, LLC,  
a California limited liability company

By: IRG III, LLC

By: S.L. Properties, Inc.

By: [Signature]

Name: STUART LICHTER AKA STUART J. LICHTER

Title: PRS

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ACKNOWLEDGMENT

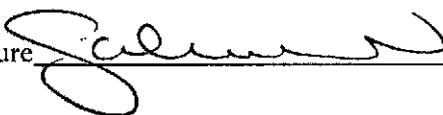
State of California )  
County of Los Angeles )

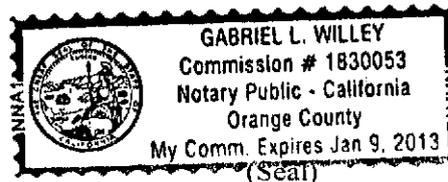
On March 22, 2012, before me, Gabriel L. Willey,  
(insert name of notary)

Notary Public, personally appeared William R. Lindsay,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that  
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature 



ACKNOWLEDGMENT

State of California  
County of Los Angeles )

On April 4<sup>th</sup>, 2012, before me, Denise M. Alvarez,

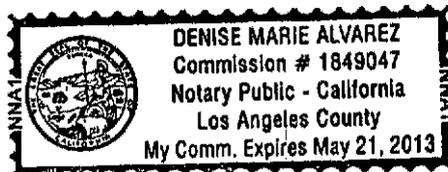
(insert name of notary)  
Notary Public, personally appeared Stuart J. Winter,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that  
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Denise M. Alvarez*

(Seal)



ACKNOWLEDGMENT

State of California  
County of Los Angeles }

On April 10, 2012, before me, Adria M. Jimenez,

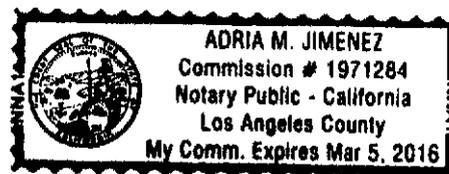
Notary Public, personally appeared Roger C. Brossmer (insert name of notary),  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same  
in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that  
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature 

(Seal)



This page is part of your document [REDACTED]

04 0645091

RECORDED/FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
03/18/04 AT 08:00am

INFO ONLY

TITLE(S) :

DEED



FEE

FEE \$81-MM 19

TRANSFER TAX  
NOT A PUBLIC RECORD

D.T.T

A. F. N. F. CODE 94

CODE  
20

CODE  
19

CODE  
9

SURVEY. MONUMENT FEE \$10. CODE 9-9

NOTIFICATION SENT \$4

Assessor's Identification Number (AIN)

To be completed by Examiner OR Title Company in black ink.

Number of AIN's Shown

6256-064-900

THIS FORM NOT [REDACTED]

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

RECORDING REQUEST BY

WHEN RECORDED MAIL TO

NAME Fainsbert Mase a Snyder,  
LLP

MAILING ADDRESS 11835 W. Olympic Blvd  
Ste 1100

CITY STATE ZIP CODE L.A., CA 90064

*[Handwritten mark]*

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

Deed

**TRANSFER TAX  
NOT A PUBLIC RECORD**

**04 0645091**

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FIRST AMERICAN TITLE INSURANCE COMPANY

3/18/04

β

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO  
AND MAIL TAX STATEMENTS TO

04 0645091

Fainsbert Mase & Snyder, LLP  
11835 West Olympic Blvd , Suite 1100  
Los Angeles, California 90064

Transfer taxes not made of public record  
pursuant to Section 11932 of the California  
Revenue and Taxation Code, as amended

(Space Above This Line for Recorder's Use)

**GRANT DEED**

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, the CITY OF DOWNEY, a California municipal corporation ("Grantor"), hereby GRANTS to IRG DOWNEY, LLC, a California limited liability company ("IRG") an undivided ten percent (10%) interest, and to PCCP IRG DOWNEY, LLC, a Delaware limited liability company ("PCCP") (IRG and PCCP collectively referred to as "Grantee") an undivided ninety percent (90%) interest to be held as tenants in common, those certain parcels of real property situated in the County of Los Angeles, State of California, and more particularly described on (i) Exhibit "A" attached hereto and made a part hereof ("Studio Parcel") and (ii) Exhibit "B" attached hereto and made a part hereof ("Building Six Parcel")

The conveyance by Grantor to Grantee of the Studio Parcel and Building Six Parcel by this Grant Deed is subject to those certain matters (the "Permitted Exceptions") set forth on Exhibit "C" attached hereto and made a part hereof including without limitation that certain Declaration of Covenants, Conditions and Environmental Restrictions ("Declaration") dated October 14, 2003 and recorded on November 21, 2003 in the Official Records of the County of Los Angeles as Document No 03 3518855, which Declaration imposes certain covenants, conditions and environmental restrictions on the use of the real property conveyed by this Grant Deed. In connection therewith, Grantor assigns all of its rights, title and interest in and to all of those certain notices, covenants, reservation and warranties as set forth in Paragraph 4 of the United States Quitclaim Deed, as set forth in Exhibit "C" attached hereto

The conveyance by Grantor to Grantee of the Studio Parcel and Building Six Parcel by this Grant Deed is further subject to those certain obligations of Grantee as more particularly set forth in Exhibit "D" attached hereto

[Signature appears on the following page]

LA/943494 4

27480-22

Description: Los Angeles, CA Document-Year.DocID 2004.645091 Page: 3 of 20  
Order: a Comment:

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6256-004-900

3/18/04

A

Dated March 18, 2004

Grantor

CITY OF DOWNEY,  
a California municipal corporation

By Kirk O. Cartozian  
 Name Kirk O. Cartozian  
 Its Mayor

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**04 0645091**

LA/943494 4

3/18/04

B

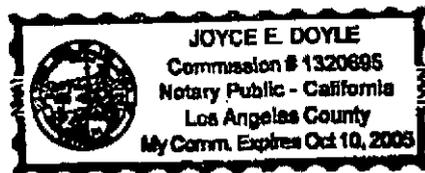
STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF LOS ANGELES )

On March 12, 2004, before me, Joyce E Doyle, Notary Public, personally appeared Kirk O Cartozian, Mayor of the City of Downey, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument

WITNESS my hand and official seal

  
Notary Public in and for  
County and State

(Seal)



04 0645091

3/18/04

6

**EXHIBIT "A"**  
**LEGAL DESCRIPTION OF STUDIO PARCEL**  
(to be attached)

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**04 0645091**

LA/943494 4

3/18/04

X

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**MOVIE STUDIO**

THOSE PORTIONS OF LOT 2 AND LOT 3 OF FRACTIONAL SECTION 10, TOWNSHIP 3 SOUTH, RANGE 12 WEST, IN THE RANCHO SANTA GERTRUDES, TOGETHER WITH A PORTION OF THE SOUTHWEST QUARTER OF SAID FRACTIONAL SECTION 10, IN THE CITY OF DOWNEY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS RECORDED IN BOOK 1, PAGE 502 OF MISCELLANEOUS RECORDS, RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 2 IN THE NORTHWEST QUARTER OF FRACTIONAL SECTION 10, SAID LINE ALSO BEING THE NORTHERLY LINE OF STEWART AND GRAY ROAD, 80 FEET WIDE, DISTANT THEREON SOUTH 89°52'14" WEST 648.51 FEET FROM THE NORTHEAST CORNER OF SAID LOT 2, THENCE ON A LINE BETWEEN SAID POINT OF BEGINNING AND THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 10, SOUTH 00°13'16" WEST 1011.24 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 89°48'11" WEST 1194.23 FEET TO A POINT IN A LINE THAT IS PARALLEL WITH AND DISTANT SOUTHEASTERLY 40.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF LAKEWOOD BOULEVARD, AS SHOWN ON COUNTY SURVEYORS B SERIES MAP NO 1147, ON FILE IN THE OFFICE OF THE COUNTY ENGINEER OF SAID COUNTY, THENCE SOUTH 31°41'38" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 1437.27 FEET TO A POINT IN A LINE THAT IS PARALLEL WITH AND DISTANT EASTERLY 40.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF CLARK AVENUE AS SHOWN ON SAID COUNTY SURVEYORS B SERIES MAP NO 1147, THENCE SOUTH 00°03'38" WEST, ALONG LAST SAID PARALLEL LINE, A DISTANCE OF 485.49 FEET, THENCE NORTH 90°00'00" EAST 713.90 FEET, THENCE NORTH 00°13'44" EAST 543.51 FEET, THENCE NORTH 89°50'41" EAST 432.97 FEET, THENCE NORTH 61°25'22" EAST 245.31 FEET, THENCE NORTH 90°00'00" EAST 581.33 FEET TO SAID LINE BETWEEN THE POINT OF BEGINNING AND THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 10, THENCE NORTH 00°13'16" EAST, ALONG SAID LINE, A DISTANCE OF 1050.50 FEET TO THE TRUE POINT OF BEGINNING

CONTAINING AN AREA OF 2,115,305 SQUARE FEET, MORE OR LESS

ALL AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF

  
WILLIAM E. EADSON, L S 6154



04 0645091

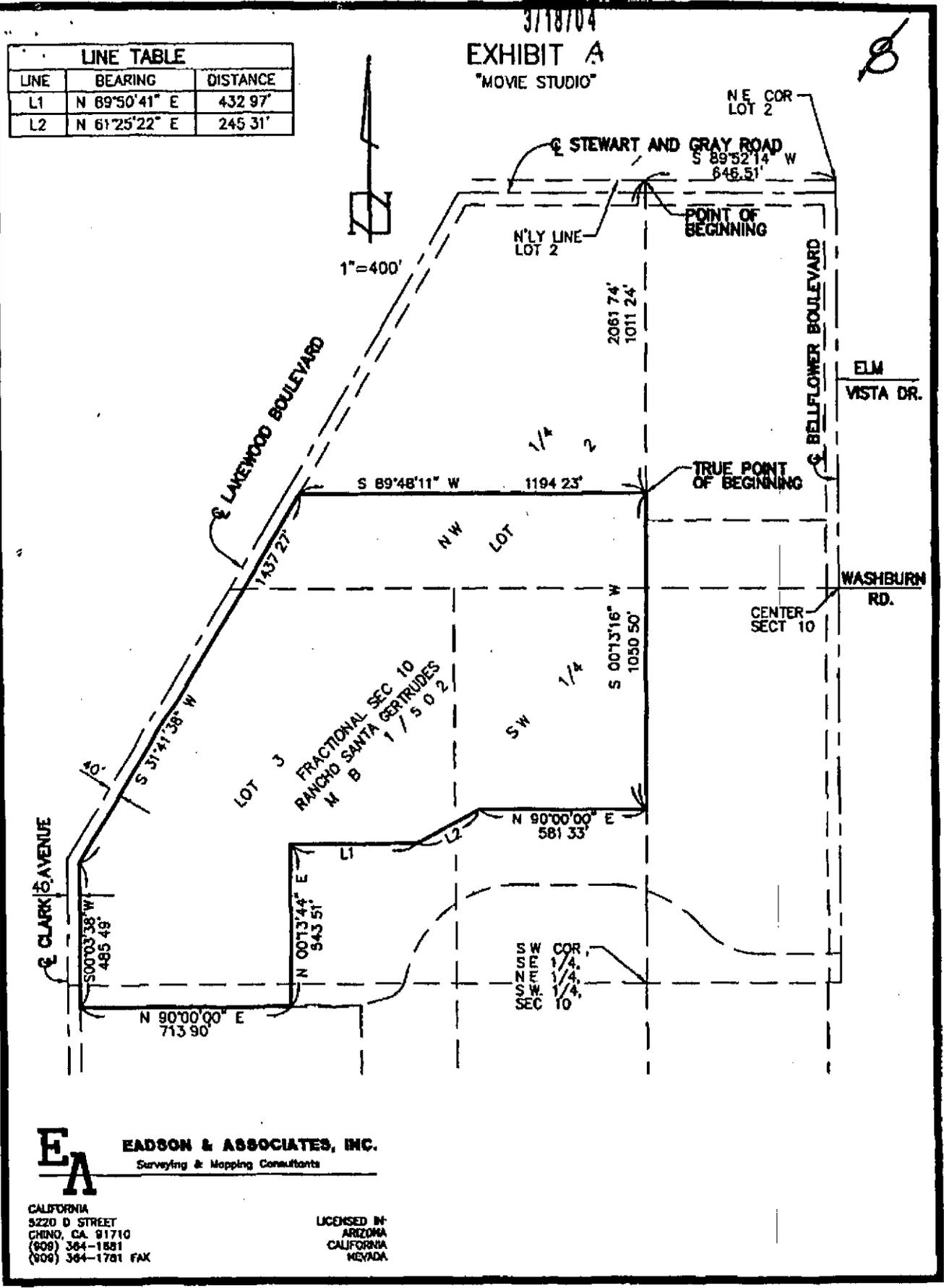
RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

3/18/04

EXHIBIT A

"MOVE STUDIO"

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 89°50'41" E	432.97'
L2	N 61°25'22" E	245.31'



**EADSON & ASSOCIATES, INC.**  
 Surveying & Mapping Consultants

CALIFORNIA  
 5220 O STREET  
 CHINO, CA 91710  
 (909) 364-1881  
 (909) 364-1781 FAX

LICENSED IN:  
 ARIZONA  
 CALIFORNIA  
 NEVADA

04 0645091

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3/18/04

9

**EXHIBIT "B"**  
**LEGAL DESCRIPTION OF BUILDING SIX PARCEL**  
(to be attached)

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**04 0645091**

LA/943494 4

3/18/04

10

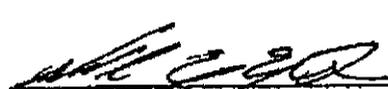
**EXHIBIT 'B'**  
**LEGAL DESCRIPTION - BUILDING 6**

THAT PORTION OF LOT 3 IN THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 10, TOWNSHIP 3 SOUTH, RANGE 12 WEST, IN THE RANCHO SANTA GERTRUDES, TOGETHER WITH A PORTION OF SAID SOUTHWEST QUARTER, IN THE CITY OF DOWNEY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS RECORDED IN BOOK 1, PAGE 502 OF MISCELLANEOUS RECORDS, RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT A POINT IN THE NORTHERLY LINE OF LOT 2 IN THE NORTHWEST QUARTER OF SAID FRACTIONAL SECTION 10, SAID LINE ALSO BEING THE NORTHERLY LINE OF STEWART AND GRAY ROAD, 80 FEET WIDE, DISTANT THEREON SOUTH 89°52'14" WEST 648 51 FEET FROM THE NORTHEAST CORNER OF SAID LOT 2, THENCE ON A LINE BETWEEN SAID POINT OF BEGINNING AND THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 10, SOUTH 00°13'16" WEST 1011 24 FEET, THENCE SOUTH 89°48'11" WEST 1194 23 FEET TO A POINT IN A LINE THAT IS PARALLEL WITH AND DISTANT SOUTHEASTERLY 40 00 FEET, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF LAKEWOOD BOULEVARD, AS SHOWN ON COUNTY SURVEYORS B SERIES MAP NO 1147, ON FILE IN THE OFFICE OF THE COUNTY ENGINEER OF SAID COUNTY, THENCE SOUTH 31°41'38" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 1437 27 FEET TO A POINT IN A LINE THAT IS PARALLEL WITH AND DISTANT EASTERLY 40 00 FEET, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF CLARK AVENUE AS SHOWN ON SAID COUNTY SURVEYORS B SERIES MAP NO 1147, THENCE SOUTH 00°03'38" WEST, ALONG LAST SAID PARALLEL LINE, A DISTANCE OF 485 49 FEET, THENCE NORTH 90°00'00" EAST 713 90 FEET TO THE TRUE POINT OF BEGINNING, THENCE NORTH 00°13'44" EAST 543 51 FEET, THENCE NORTH 89°50'41" EAST 432 97 FEET, THENCE NORTH 61°25'22" EAST 245.31 FEET, THENCE NORTH 90°00'00" EAST 581 33 FEET TO SAID LINE BETWEEN THE POINT OF BEGINNING AND THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF FRACTIONAL SECTION 10, THENCE SOUTH 00°13'16" WEST, ALONG SAID LINE, A DISTANCE OF 273 68 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 418 00 FEET, A RADIAL LINE OF SAID CURVE THROUGH SAID POINT BEARS NORTH 17°39'05" EAST, THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 17°39'05", A DISTANCE OF 128 78 FEET, THENCE NORTH 90°00'00" WEST 321 62 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 398 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 78°01'08", A DISTANCE OF 541 95 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 82 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 59°12'23", A DISTANCE OF 84 73 FEET TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 600 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 18°48'42", A DISTANCE OF 197 00 FEET, THENCE NORTH 90°00'00" WEST 145 89 FEET TO THE TRUE POINT OF BEGINNING

CONTAINING AN AREA OF 435,671 SQUARE FEET, MORE OR LESS

ALL AS SHOWN ON EXHIBIT 'B' ATTACHED HERETO AND MADE A PART HEREOF

  
WILLIAM E. EADSOX, L S 8154

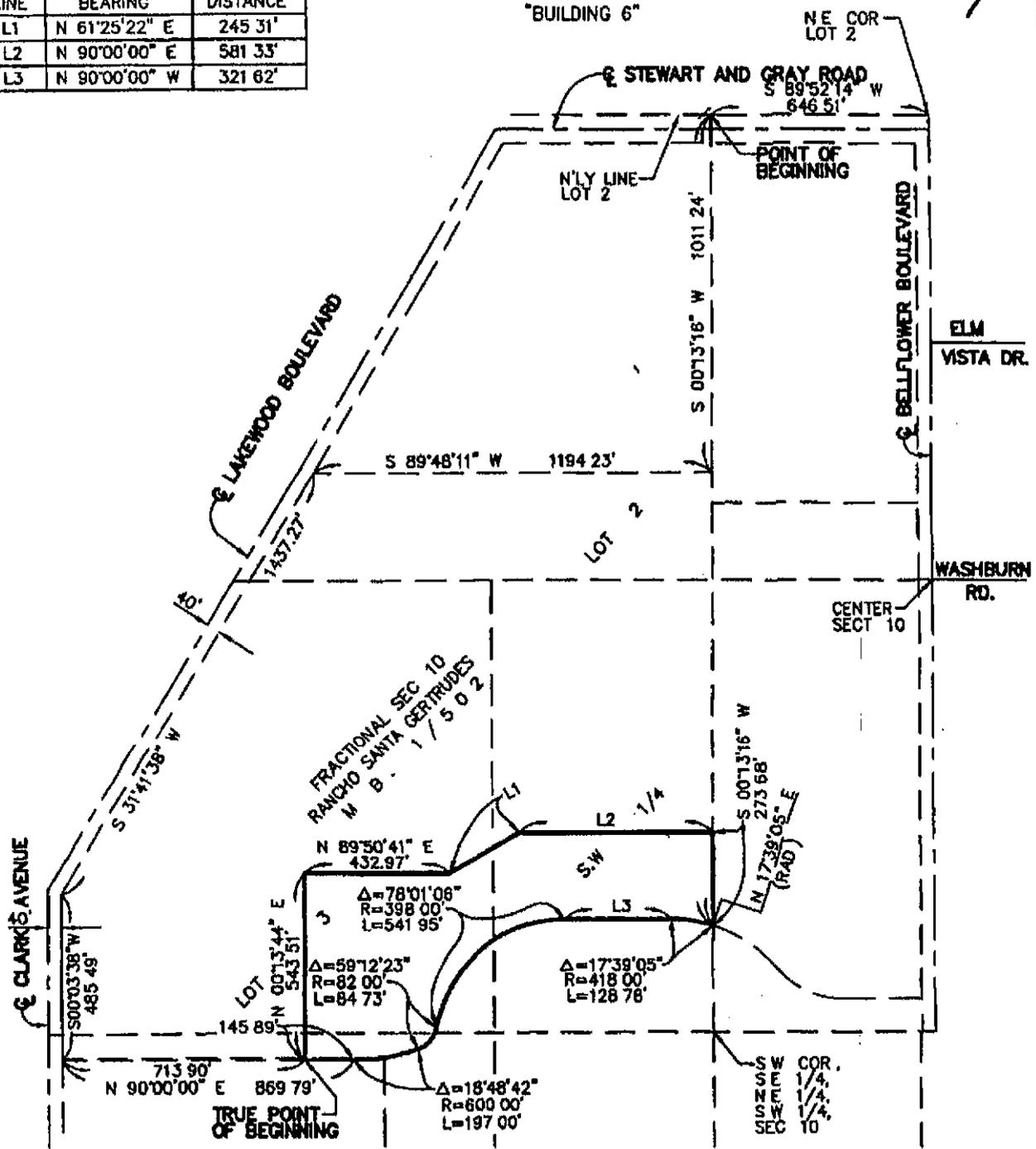


04 0645091

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LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 61°25'22" E	245.31'
L2	N 90°00'00" E	581.33'
L3	N 90°00'00" W	321.62'

3/18/04  
**EXHIBIT "B"**  
 "BUILDING 6"



**EADSON & ASSOCIATES, INC.**  
 Surveying & Mapping Consultants

CALIFORNIA  
 5220 D STREET  
 CHINO, CA 91710  
 (909) 364-1681  
 (909) 364-1781 FAX

LICENSED IN:  
 ARIZONA  
 CALIFORNIA  
 NEVADA

04 0645091

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3/18/04

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**EXHIBIT "C"**  
**PERMITTED EXCEPTIONS**

- 1 Real estate taxes and assessments not delinquent,
- 2 The lien of supplemental taxes assessed pursuant to Chapter 3 5, commencing with Section 75, of the California Revenue and Taxation Code with respect to matters occurring on or after the Closing Date,
- 3 The printed exceptions which appear in the Owner's Title Policy issued by the Title Company,
- 4 All exceptions listed in Schedule B in the Owner's Title Policy issued by the Title Company,
- 5 All matters that an accurate survey of the property would disclose,
- 6 That certain Quitclaim Deed dated as of November 7, 2003 from the United States of America ("USA") through the General Services Administration ("GSA") to the City of Downey, recorded on November 21, 2003 as Instrument No 03 3518854 in the Official Records of Los Angeles County, California (the "United States Quitclaim Deed"),
- 7 That certain Transfer Agreement for Parcels 1 and 2 of the National Aeronautics and Space Administration ("NASA") Industrial Plant Site, Downey, California between the USA through GSA and City of Downey dated as of November 7, 2003,
- 8 The Covenant Deferral Request ("CDR") and approval of the CDR by the Governor of the State of California for the transfer of Parcels 1 and 2 of the NASA Industrial Plant Site to Grantor,
- 9 That certain Memorandum of Agreement among NASA, the Government Services Administration, the California State Historic Preservation Officer and Grantor dated April 2, 2001,
- 10 [Intentionally Deleted],
- 11 That certain Environmental Responsibility Assumption Agreement dated as of November 7, 2003 entered into between Grantor and International Risk Assumption - Downey, LLC, a Colorado limited liability company ("IRAD"), which provides, among other things, for the remediation by IRAD of certain soil and groundwater contamination beneath the NASA Site,
- 12 That certain Environmental Services Agreement between Grantor and the USA through NASA, dated as of November 7, 2003
- 13 The Declaration, and

**04 0645091**

LA/943494 4

3/18/04

13

- 14 Any matters affecting the property which are created by or with the consent of Grantee, including, without limitation, any matters relating to the entitlements for the Development Parcel approved by Grantor or any matters relating to other entitlements sought by Grantee prior to the Close of Escrow

End//

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

04 0645091

LA/913494 4

3/18/04

A

**EXHIBIT "D"**  
**PURCHASE AGREEMENT COVENANTS**

Upon the satisfaction by Grantee, or its successors and assigns, of the covenants set forth in Sections 11 1, 11 2 and 11 6 below, Grantor shall provide Grantee with evidence of such completion in the form of a mutually agreeable "certificate of completion" in recordable form

11 1 Permitted Uses Grantee covenants and agrees for itself, its successors and assigns, which covenants shall run with the land and bind every successor or assign in interest of Grantee, that, for the first thirty (30) months following the date the Grantor issues or should have issued the Certificate of Required Development Investment, as set forth in Section 11 2 1 (the "Required Studio Use Period"), it shall use at least 715,894 gross square feet of the buildings located on the Acquisition Parcel for principal use as a studio production facility, including use by such "ancillary business establishments" as are normally associated with a studio production facility (a "Studio Production Facility") For purposes of this Section 11 1, "ancillary business establishments" shall include, but not be limited to prop and set construction and storage facilities, office, production and support personnel for production companies and studios, production trade vendors (such as lighting, grip and food catering providers), and, any type of pre-and post production services and facilities (such as editing, screening and similar facilities) Grantee further covenants and agrees for itself and its successors and assigns that it shall not engage in or permit any activity on the Acquisition Parcel that would violate the existing zoning or any applicable Governmental Restrictions Grantor acknowledges and agrees that for all purposes, the "Use Classification" for the Acquisition Parcel as proposed by Grantee and as identified in the Specific Plan is "Commercial/Industrial"

11 2 Grantee's Development Obligations

11 2 1 Grantee's Costs and Expenses Grantee, its studio management company, or their affiliates, successors or assigns, shall cause to be invested not less than \$13,000,000 00 (the "Required Development Investment") of Development Costs, as hereinafter defined, in the Studio Property For purposes of this Agreement, "Development Costs" shall include, but not be limited to, all costs and expenses directly and indirectly incurred in connection with the construction and development of buildings 1, 6, 9, 11, 14, 23 and 290 located on the Acquisition Parcel and all operations related thereto, including, without limitation, all costs incurred in connection with the investigation, acquisition and preparation of the Acquisition Parcel for development, building, permit and developer fees, and all costs of investigation, acquisition and/or preparation of any development plans Grantor shall issue a "Certificate of Required Development Investment," in recordable form, or such other similar document reasonably acceptable to Grantee, confirming that Grantee has satisfied the Required Development Investment within thirty (30) days following Grantee's request for the Certificate of Required Development Investment and Grantee's satisfaction of such requirement If Grantor fails to object to Grantee's request for a Certificate of Required Development Investment within thirty (30) days following receipt of Grantee's request, the Required Development Investment shall be deemed approved and Grantor shall forthwith issue the Certificate of Required Development Investment If Grantor objects to Grantee's request for a Certificate of Required Development Investment, Grantor shall give written notice to Grantee within thirty (30) days after receipt of

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the request, stating with specificity the nature and amounts objected to by Grantor. Grantor and Grantee agree to meet and confer in good faith promptly thereafter to resolve the dispute.

**11.2.2 Required Downey Infrastructure** Grantee's obligations hereunder shall also include the reimbursement to the Grantor for its pro-rata share, along with Kaiser Permanente and Downey Landings, of complying with the Mitigation Monitoring and Reporting Program of the EIR for the Specific Plan (the "Required Downey Infrastructure"). The Required Downey Infrastructure consists of roadway improvements or traffic signal coordination system or other traffic mitigation measures for the development of the NASA Site at the following six intersections surrounding the NASA Site Mitigation Measures 3.9-1 (improvements at the Lakewood Blvd and Firestone Blvd intersection), 3.9-2 (improvements at the Lakewood Blvd and Bellflower Blvd intersection), 3.3-3 (improvements at the Lakewood Blvd and Stewart and Gray intersection), 3.9-4 (improvements at the Lakewood Blvd and Imperial Highway), 3.9-5 (improvements at the Bellflower Blvd. and Imperial Highway intersection), 3.9-6 (improvements at the Bellflower Blvd and Stewart and Gray intersection). In order to satisfy Grantee's requirements in connection with the Required Downey Infrastructure, Grantee agrees to pay to Grantor a sum not to exceed Three Million Dollars (\$3,000,000.00) ("Grantee's Infrastructure Contribution") as payment for Grantee's fair share cost of the Required Downey Infrastructure. The parties agree that Grantee's Infrastructure Contribution shall be payment in full for Grantee's share of the Required Downey Infrastructure, and that Grantee's Infrastructure Contribution shall not be increased even if Grantor's actual costs for the Required Downey Infrastructure are greater than the amount of all payments received by Grantor from Grantee, Kaiser Permanente and Downey Landings. However, if Grantee's share of the total costs of the Required Downey Infrastructure is less than Three Million Dollars (\$3,000,000.00), Grantee's Infrastructure Contribution shall be reduced accordingly. Grantor and Grantee shall mutually agree on one of the following three choices (the "Infrastructure Payment Method") for payment of Grantee's Infrastructure Contribution: (1) fully funded cash deposit account, (2) an irrevocable letter of credit, or (3) a third party guaranty. For purposes of this Section 11.2.2, Grantee's Infrastructure Payment shall be payable by Grantee to Grantor in multiple payments at such times as the costs related to the construction of the Required Downey Infrastructure are actually incurred by Grantor (each, a "Grantee Infrastructure Payment"). Each Grantee Infrastructure Payment shall be equal to Grantee's pro-rata share of the Required Downey Infrastructure costs, which shall be deemed to be 39% (based upon the relationship the total estimated costs for the Required Downey Infrastructure bears to Grantee's Infrastructure Contribution (i.e. \$3M/\$7.7M)). Grantee's obligation to reimburse Grantor for the Required Downey Infrastructure shall terminate on the fifth (5<sup>th</sup>) anniversary of the Closing Date at which time any obligations securing of Grantee's Infrastructure Contribution shall be released and any funds held for Grantee's Infrastructure Contribution shall be returned to Grantee.

**11.2.3 Other Infrastructure Requirements** In addition to the Required Downey Infrastructure set forth in Section 11.2.2 above, Grantee, at its sole cost and expense, shall also be responsible for the installation of the following infrastructure requirements:

- a. Reclaimed water line from south of Rose Street to north property line
- b. Will connect all landscape irrigation to reclaim water line
- c. Pay pro rata share to construct Steve Horn Way

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- d Provide a utility easement along the northerly property line that meets the Grantor's requirements for maintenance of any required utilities
- e Drainage improvements shall comply with all applicable regulations, either Grantor, state and federal

11 2 4 Development Report On a regular basis, but in no event less often than semi-annually, Grantee shall submit to Grantor a "Development Report" which shall consist of a certified statement prepared by, or on behalf of, Grantee setting forth, in reasonable detail, the amount of the Development Costs expended by Grantee to date. Grantor shall have thirty (30) days following submission of the Development Report to object to any of the Development Costs contained therein. If Grantor fails to object to any Development Report within the foregoing thirty (30) day period, all such Development Costs contained therein shall be deemed to be approved by Grantor for purposes of satisfying Required Development Investment and obtaining the Certificate of Required Development Investment as set forth in Section 11 2 1 above. If Grantor fails objects in writing to any Development Report within the foregoing thirty (30) day period, Grantor and Grantee agree to meet and confer in good faith promptly thereafter to resolve the dispute.

11 2 5 Dedicated Portion Grantee agrees to dedicate to Grantor, and Grantor shall pay to Grantee the amount of Five Dollars (\$5 00) per square foot, that portion of the Acquisition Parcel which is adjacent to Lakewood Boulevard and Clark Avenue and is required and determined by Grantor to be reasonably necessary for public right-of-way purposes ("Dedicated Portion"). This Dedicated Portion shall not encroach upon or interfere with any existing buildings or parking areas of the Acquisition Parcel. This obligation of Grantee shall terminate twelve (12) months after the date of this Agreement.

11 5 In-Lieu Studio License Fee Grantee and Grantor recognize the unique nature of the business proposed to be conducted on the Studio Property and that the traditional business license tax would not fairly measure the extent of the business conducted within the Grantor's boundaries and would be inconvenient for Grantee's customers to pay. Accordingly, Grantee agrees to pay the Grantor a one percent (1%) fee (the "Studio Fee") based on the gross rental receipts from rental of the portion of the Studio Property actually being used for film, television or commercial film or video production ("Film Activities"). Payment of the Studio Fee shall not relieve the long-term tenants or short-term tenants not actually involved in Film Activities at the Studio Property from their responsibility to pay a regular Grantor Business License tax. By executing this Agreement, Grantee declares it has voluntarily and willfully agreed to pay the Studio Fee, in lieu of any and all Grantor business taxes, using this alternative method of tax payment on behalf of those transient entities conducting Film Activities at the Studio Property. This in-lieu fee does not apply to permanent occupants of any buildings, management of the Studio Property, parking and building facilities operators and non-Studio Production Facility uses. It has no effect on the current license fees paid by Grantee directly to the Grantor. Payment of the Studio Fee shall be made quarterly on the first day of January, April, July and October of each year. A ten percent (10%) penalty shall be applied for payments not received or postmarked by the due date. Payments shall be made in the form of a corporate check, cashiers check or wire transfer. Payments shall be submitted to the Director of Finance for Grantor. The Grantor reserves the right to have Grantee's books audited with regard to the income generated.

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from studio/film location rental. The audits will be performed at Grantor expense. However, if the audit detects an underpayment to Grantor in excess of ten percent (10%), Grantee will be responsible for the reasonable cost of that year's audit.

11.6 Learning Center/Public Access After Closing, Grantor shall have an option to enter into a lease with Grantee (the "Learning Center Lease") for an approximately 40,000 square-foot learning center to be located in Building 290 (the "Learning Center"). Upon the exercise of the foregoing option by Grantor, Grantor and Grantee will promptly thereafter negotiate and enter into the Learning Center Lease. The terms and conditions of the Learning Center Lease, and the design and exact location within Building 290 of the Learning Center shall be subject to the mutual agreement of Grantor and Grantee.

11.6.1 The Learning Center Lease shall be a triple net lease, meaning Grantor will be responsible for the payment of Base Rent, as set forth in Section 11.6.5, as well as Grantor's prorate share of all common area, taxes and insurance expenses (the "Additional Rent").

11.6.2 Upon the execution of the Learning Center Lease, Grantee will cause that portion of Building 290 containing the Learning Center to be designated as a separate legal parcel (the "Learning Center Subdivision"). In the event that Grantee is unable to obtain the Learning Center Subdivision, the Learning Center Lease shall thereupon terminate. All costs associated with the Learning Center Subdivision shall be included as part of the Learning Center Costs, as defined in Section 11.6.4.

11.6.3 Upon the execution of the Learning Center Lease, Grantee shall also begin to oversee and initially fund all costs and expenses required in connection with the predevelopment planning stage for the Learning Center (the "Pre-Development Costs"). Once Grantee obtains the Learning Center Loan, as defined in Section 11.6.4 below, Grantee shall oversee the funding and build-out of the Learning Center pursuant to plans to be mutually approved by Grantor and Grantee. If Grantee is unable to obtain the Learning Center Subdivision or the Learning Center Loan (defined below), or if Grantor fails to execute the Learning Center Lease, Grantor shall promptly reimburse Grantee for the Pre-Development Costs which have been previously approved by Grantor.

11.6.4 Grantee intends on obtaining a loan (the "Learning Center Loan") from a Qualified Financial Institution to fund all the Learning Center Costs, as hereinafter defined. Grantor agrees to authorize the Base Rent, as defined in Section 11.6.5 below, to be payable out of the Grantor's general revenue so that the Grantor's financial credit can be used in connection with obtaining the Learning Center Loan. The funding of the Learning Center Costs (other than the Pre-Development Costs) shall be conditioned upon Grantee being able to secure the Learning Center Loan as set forth herein. The "Learning Center Costs" shall include all costs and expenses associated with the design, build-out and financing of the Learning Center, including, but not limited to, all costs directly and indirectly associated with the Learning Center Subdivision, the Learning Center Pre-Development Costs and other development costs, and all costs and expenses incurred by Grantee in obtaining and servicing the Learning Center Loan,

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specifically excluding any fees or compensation to Grantee, or any of its employees, for its time and effort incurred

11 6 5 The Learning Center Lease shall have a monthly "Base Rent" payable by Grantor to Grantee in equal monthly installments during a Lease term, which term shall be no less than that which is sufficient to fully reimburse Grantee for all of the Learning Center Costs (the "Reimbursement Period"), on those terms and conditions mutually agreed to by Grantor and Grantee. The Lease may not be terminated by Grantor during the Reimbursement Period but may be assigned by Grantor to third parties, with the prior consent of Grantee, which consent shall not be unreasonably withheld, provided, however, that in the event of such an assignment, Grantor shall not be released from its obligations under the Learning Center Lease and that any assignment that has a term beyond that of the Reimbursement Period must also comply with the provisions of 11 6 6 below. If Grantor desires to assign the Learning Center Lease during the Reimbursement Period, Grantor shall first offer to Grantee in writing the right to accept the cancellation of the Learning Center Lease with no additional payments due from Grantor. Grantee shall accept or reject Grantor's offer, in Grantee's sole discretion, by written notice given within thirty (30) days after receipt of written notice from Grantor. If Grantee fails to accept Grantor's offer to cancel the Learning Center Lease within thirty (30) days after receipt of written notice from Grantor, Grantor's offer shall be deemed rejected.

11 6 6 The Learning Center Lease may have a Lease term longer than the Reimbursement Period, at the option of Grantor. In the event that Grantor requests a lease term longer than the Reimbursement Period, for the remainder of the lease term after the Reimbursement Period expires, the monthly Base Rent payable by Grantor to Grantee shall be reduced to One Dollar (\$1 00) until the expiration or termination of the Learning Center Lease, provided, however, that Grantor shall remain responsible for the payment of Additional Rent. After the Reimbursement Period expires, Grantor shall have the right to terminate the Lease at any time in its sole discretion. Upon the expiration of the Reimbursement Period, Grantor may not convert the use of the Learning Center from an aeronautical educational learning center without the prior written consent of Grantee, in which event Grantee may withhold its consent in its sole discretion.

11 6 7 Title to any improvements installed or developed by Grantee within the Learning Center shall remain in Grantee, and title to any improvements installed or developed by Grantor within the Learning Center shall remain in Grantor, unless otherwise agreed to by the parties in the Learning Center Lease, provided that Grantor shall be responsible for removing all of its improvements upon the expiration of the Learning Center Lease term.

11 6 8 In connection with Grantor's operations of the Learning Center, Grantee and Grantor shall negotiate a mutual cooperation agreement for the purposes of conducting tours of the Studio Facility, subject to the rights of tenants and other parties in possession. In addition, Grantee shall cooperate with Grantor for a period of one year after the Closing with respect to Grantor's collection and storage of historically significant artifacts located on or about the Studio Property.

11 8 Name of Studio To the extent legally available and without the requirement for paying any third party for the usage thereof, Grantee agrees to use the name "Downey Studios"

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in connection with the operations of the studio facilities at the Studio Property Any change of the foregoing name shall require the prior consent of Grantor, which consent shall not be unreasonably withheld or delayed

11.9 Sale of Cut-Out Parcel Grantee agrees to sell the Cut-Out Parcel to Downey Landing for the amount of \$5.00 per square foot pursuant to Grantee's standard purchase and sale agreement, provided, however, the closing occurs within six (6) months after the Closing hereunder, time being of the essence. If the closing for the Cut-Out Parcel occurs more than six (6) months after the Closing hereunder for any reason whatsoever other than Grantee's intentional failure or refusal to close, but before twelve (12) months after the Closing Date hereunder, the sale price shall be an amount equal to \$5.00 per square foot increased by Grantee's carrying costs for the Cut-Out Parcel incurred from the Closing Date hereunder through the closing date with Downey Landing. If Downey Landing fails to close the sale of the Cut-Out Parcel within twelve (12) months after the Closing Date hereunder for any reason whatsoever other than Grantee's intentional failure or refusal to close, Grantee's obligation to sell the Cut-Out Parcel to Downey Landing shall terminate, time being of the essence. Downey Landing shall pay all costs and expenses directly and indirectly related to subdivision of the Cut-Out Parcel from the Acquisition Parcel, demolition, renovation, and restoration costs, and conveyance of the Cut-Out Parcel to Downey Landing, including, but not limited to, prompt payment of or reimbursement for the legal fees and costs of Grantee's counsel incurred in connection with this Section 11.9 and Grantee cooperating with Downey Landing. In connection with the subdivision, Grantee's sole obligation shall be to reasonably cooperate with Downey Landing in the subdivision process. Such cooperation shall also include signing a mutually acceptable purchase and sale agreement, easement/access agreement and deed, and approval of the construction plans for building one alteration in its sole discretion. In addition, the sale and development of the Cut-Out Parcel shall also be subject to Downey Landing's satisfaction of all applicable governmental restrictions and regulations as well as any terms, conditions and restrictions required by Grantee in its sole discretion.

11.10 Profit Participation by Grantor Upon the sale of the Studio Lot, as defined in Recital E herein, by Grantee, Grantor shall be entitled to receive, as a profit participation interest ("Grantor's Profit Participation") an amount equal to five percent (5%) of all "Net Sale Proceeds" over a base price of \$100,000,000.00 (the "Base Price"). The Base Price shall be increased by ten percent (10%) every five years after the Closing Date. For purposes of this Section 11.10, "Net Sale Proceeds" shall be defined as the aggregate sales price for the Studio Lot actually received by Grantee, less all brokerage commissions, legal fees, and title and closing costs related thereto. Notwithstanding the foregoing, any sales or transfers by Grantee to any Affiliate of Stuart Lichter shall be exempt from the application of this Section 11.10.

11.11 Drainage Easement. Grantee agrees to abandon or relinquish an existing drainage easement over the adjacent parcel currently intended to be developed by Kaiser Permanente when such easement is no longer needed as determined by Grantee in its sole discretion and such drainage requirement is superseded by a road and drainage plan approved by the Grantor in compliance with all applicable laws and acceptable to Grantee in its sole discretion. Grantee agrees to grant a drainage easement over the Acquisition Parcel to benefit the adjacent northerly parcel currently intended to be developed as a commercial shopping center.

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when such easement is reasonably required as part of the overall drainage requirement for the site on such terms and conditions as determined by Grantee in its sole discretion and such drainage plan is approved by the Grantor in compliance with all applicable laws and acceptable to Grantee in its sole discretion  
End//

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