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DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF SANTA CLARITA

AND

WHITTAKER PORTA BELLA DEVELOPMENT, INC.

March 28, 1996

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3

TABLE OF CONTENTS

RECITALS 2

A. State Enabling Statutes 2

B. Authorization for Development Agreements 2

C. City Procedures and Actions 3

D. Project Description 3

E. Owner of Property 4

F. Public Objectives 4

G. Developer's Objectives 5

H. Applicability of Agreement 7

AGREEMENT

1. Definitions 7

(a) Appeal Period 7

(b) Applicable Rules 7

(c) Commuter Rail Station 7

(d) Commuter Rail Station Site 8

(e) Conditions of Approval 8

(f) Developer 8

(g) Development Agreement Act or Act 8

(h) Development Code 8

(i) Discretionary Actions or Discretionary Approvals 8

(j) Effective Date 8

(k) Environmental Impact Report 8

(l) General Plan 9

(m) Health and Safety 9

(n) Processing Fees 9

(o) Project 9

(p) Project Approvals 9

(q) Project Site 10

(r) Public Improvements 10

(s) Specific Plan 10

(t) Subsequent Consistent Rules 10

(u) Valley Center Overlay Area 10

2. Public Benefits 10

3. Development of Property 11

(a) Entitlement to Develop 11

(b) Project Development 11

(c) Changes in Law 11

(d) Extension of Tentative Parcel Maps 14

(e) Conditions and Mitigations Measures 14

(f) City Acknowledgement and Findings 15

(g) Phasing of Development 15

(h) Right-of-Way Acquisition 16

4. Obligations of Developer 18

(a) General Project Requirements 18

(b) Special Project Requirements 23

(c) Further and Special Consideration for Development Agreement 23

(d) Effect of Litigation 27

5. Obligations of City 27

(a) Effective Development Standards 27

96 535033

(b) Conflicting Enactments 27

(c) Moratoria 27

(d) Reimbursement Mechanism 28

6. General Provisions 28

(a) Effective Date 28

(b) Periodic Review 29

(i) Annual Review 29
(ii) Pre-Report Procedure 29
(iii) Director's Determination 29
(iv) Planning Commission Hearing . . . 29
(v) Appeal by Developer 30
(vi) Period to Cure Non-Compliance . . 30
(vii) Failure to Cure 31
(viii) Failure to Conduct Annual Review 31
(ix) Termination or Modification of Agreement 31
(x) Initiation of Review by City Council 31

7. Remedies 32

(a) Intent 32

(b) Default by City 32

(c) Default by Developer 32

(i) Notice of Default 33
(ii) Failure to Cure Default Procedure 33

(d) Appeals 34

(e) Enforced Delay, Extension of Time for Performance 34

(f) Mute Resolution (Arbitration) 34

(i) JAMS Arbitration 34
(ii) AAA Arbitration 35

(g) Legal Action 36

(h) Administration of Agreement and Resolution of Disputes 36

(i) Term 36

96 535033

(j) Developer Protest Provision 36

8. Miscellaneous 38

(a) Amendments 38

(b) Assignment 39

(c) Public Facilities and Infrastructure . . . 39

(d) Covenants 40

(e) Cooperation and Implementation 40

(f) Applicable Law 42

(g) Cooperation in the Event of Legal Challenge 42

(h) Relationship of Parties 42

(i) Attorneys' Fees 42

(j) Constructive Notice and Acceptance 42

(k) Notices 42

(l) Recordation 43

(m) Determination of Validity of All or Part of Agreements; Events of Termination . . . 43

(n) Time of the Essence 44

(o) Waiver 44

(p) Entire Agreement 45

(q) No Third Party Beneficiaries 45

(r) Successors and Assigns 45

(s) Certificate of Compliance 45

(t) Legal Advice; Construction 45

(u) Ability to Encumber Property 45

(v) Amendments to Specific Plan 46

(w) Counterparts 47

(x) Covenant of Good Faith Performance 47

96 535033

LIST OF EXHIBITS 47

SIGNATURE PAGE 48

ACKNOWLEDGEMENTS 49, 50

EXHIBITS:

Exhibit "A"	Property Description
Exhibit "B	School Mitigation Agreement(s) by and between Developer and appropriate school districts (to be attached when executed)
Exhibit "C"	Description of Commuter Rail Station Site
Exhibit "D"	Design Standards for Community Trail
Exhibit "E"	Standards and Specifications for Condition of Approval DS-30, Springbrook
Exhibit "F"	Specifications for Condition of Approval DS-28, Oak Orchard Drainage
Exhibit "G"	Standards and Specifications for Condition of Approval DS-23, Location for 400 foot buffer for Circle J Estates
Exhibit "H"	Design Standards and Specifications for 400 foot Buffer for Circle J Estates
Exhibit "I"	Standards and Specifications for Condition of Approval DS-25, Karie Lane
Exhibit "J"	Indemnity Agreement
Exhibit "K	Agreement Regarding Dedication of Commuter Rail Station Site
Exhibit "L"	Civic Center Site Description
Exhibit "M"	Civic Center Master Plan
Exhibit "N"	Industrial Lot

This Development Agreement ("Agreement") is executed as of the 28th day of March, 1996, by and between the City of Santa Clarita, a municipal corporation ("City"), and Whittaker Porta Bella Development, Inc., a California corporation, (the "Developer"), pursuant to California Government Code Section 65864, et seq., [1/] and implementing procedures of the City based upon an initial application, dated and filed with the City on October 25, 1991, with reference to the following facts and circumstances each of which is acknowledged as true and correct by the parties.

RECITALS

A. 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 (Government Code § 65864, et seq., hereinafter the "Act") which authorizes any city 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, expressly provides:

> "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 the 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 costs of development."

B. Authorization for Development Agreements. Sections 65864 through 65869.5, as well as Chapter 17.03.010 of the Santa Clarita Municipal Code, authorizes the City to enter into binding

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1/ All references to Sections of Codes hereinafter shall be to the California Government Code unless otherwise specifically stated.

agreements with persons or entities having legal or equitable interests in real property for the development of such property. The City is entering into this Agreement pursuant to that authority.

C. City Procedures and Actions.

1. Planning Commission Hearing. Section 65867 and Development Code Section 17.03.010 C require that both the Planning Commission and the City Council hold public hearings to consider the application for a development agreement. On October 3, 1995, following a duly noticed public hearing, the City Planning Commission adopted Resolution No. P95-21 by which the Planning Commission recommended that the City Council approve a development agreement with Developer and recommended the terms and conditions to be contained therein.

2. City Council Hearing. After conducting a duly-noticed public hearing, the City Council on January 23, 1996 and adopted Ordinance No. 96-4 on February 13, 1996, to become effective on March 14, 1996, by which the City Council approved this Agreement and found that this Agreement complies with the requirements set forth in of the Act and Section 17.03.010 of the Development Code, and authorized the execution of this Agreement by the Mayor of the City and its recordation by the City Clerk.

3. **City Project Approvals.** The City has previously taken the following actions which are relevant to this Agreement: approved and adopted the Porta Bella Specific Plan 91-001 (Ordinance No. 95-06); the Vesting Tentative Tract Map 51599; the Final Conditions of Approval, which are attached as Exhibit A to Resolution No. 95-42; and, approved and adopted Oaktree Permit 91-033, all of which were adopted pursuant to Resolution No. 95-42; certified the EIR; adopted the Mitigation Monitoring and Reporting Plan and the Statement of Overriding Considerations, pursuant to Resolution No. 95-41 and Ordinance No. 95-06; on April 25, 1995 and, adopted the amendments to the General Plan of the City pursuant to Ordinance No. 95-06.

D. Project Description. The Project, as defined in Paragraph 1(p) hereof, is a large scale mixed-use phased development of the "Property" [2] as hereinafter defined and as described in Exhibit "A" [3] attached hereto and in Vesting

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[2] As used in this Agreement, the word "Property" does not include other real property owned by Developer outside the Specific Plan boundaries.

[3] Each "Exhibit" hereinafter referenced in this Agreement is attached hereto and incorporated herein by such reference unless otherwise specifically noted.

Tentative Tract Map 51599. The Project requires major investment in public facilities and substantial front-end investment in on-site and off-site improvements to make the Project feasible. The Project represents a master planned project analyzed and reviewed by the City through the Project Approvals and the EIR in light of the land use standards and policies contained in the City's Applicable Rules.

E. Owner of Property. Developer is the owner of the Property. as more particularly described in Exhibit "A". Developer desires to develop the Property in accordance with the provisions of this Agreement and the Property Approvals, all as more particularly set forth in this Agreement and Vesting Tentative Tract Map 51599.

F. Public Objectives. In accordance with the legislative findings set forth in Section 65864 of the Act, the City wishes to realize certain public objectives that will be furthered by this Agreement, including the facilitation and implementation of the General Plan and the Specific Plan. Completion of the Project will further the comprehensive planning objectives contained within the General Plan and realize public benefits, as follows, among others:

1. Comprehensive Planning Objectives. The City wishes to facilitate implementation of the General Plan and the public purposes for the Act and the Development Code. Pursuant to Section 65867.5, the City Council has found and determined that this Agreement, as approved by the City Council, implements the goals and policies of the City's General Plan and the Specific Plan. The City Council has found and determined that this Agreement is consistent with the City's General Plan and constitutes a valid exercise of the City's police power and is being entered into pursuant to, and in compliance with, the requirements of the Act and the Development Code. Completion of the Project will further the comprehensive planning objectives contained within the General Plan, including, but not limited to, the following:

(a) Coordinating the installation of public facilities with private development, including the installation of on-site and off-site public improvements;

(b) Providing a circulation system coordinated with land use and densities, including the improvements described in Paragraph 4 hereof;

(c) Implementation of the Valley Center Concept of the General Plan, including the construction of beneficial development at a location served by major local thoroughfares and regional transportation systems;

(d) Providing potential for positive on-going fiscal benefit to the City's General Fund;

(e) Fulfilling long term economic and social goals for the Specific Plan area;

(f) Providing high quality planned developments which include landscaping, underground utilities, open space, pedestrian orientation, and quality design;

(g) Pursuing the goal of balance between the number of local jobs with the amount of available housing;

(h) Providing both construction employment and long-term permanent employment within the City; and

(i) Contributing to the long-term viability of the economy of the City.

2. **Public Benefits in Return for Assurance of Completion.** The public benefits to be received as a result of the development of the Project through this Agreement include, among others:

(a) An array of meaningful transportation alternatives to the automobile, including, but not limited to, the provision to the City of the Commuter Rail Station Site (as hereinafter defined), the pedestrian and equestrian trails, and bicycle paths;

(b) The improvement of the circulation system in the City through the construction of significant portions of major north/south and east/west arterial thoroughfares;

(c) Significant positive contribution to the City's revenue base;

(d) Significant contribution to the City-wide system of parks and open space, with approximately forty-four percent (44%) of the Property reserved for open space and parks; and

(e) A Project which delivers a positive jobs/housing balance with a full range of employment opportunity.

G. **Developer's Objectives.** In accordance with the legislative findings set forth in Section 65854, Developer wishes to obtain reasonable assurances that, having received the Project Approvals (as hereinafter defined), the Developer can develop the Project in accordance with the Project Approvals and the Applicable Rules. Because of the nature of the Project and the

type and extent of the public improvements to be provided by the Project, the development of the Project will take a long period of time to complete. Developer's decision to commence the Project is based on the expectations of proceeding with the Project to completion. In the absence of this Agreement, Developer would have no present assurance that it could complete the Project. For any number of currently foreseeable and unforeseeable reasons, including, without limitation, traffic and related impacts (e.g., impact on air quality) resulting from development off-site or outside the jurisdiction of the City, pressures on the City could be created to, among other things, (i) halt the Project at a point short of total build-out, (ii) reduce the density of the Project, (iii) defer or delay completion of the Project, or (iv) apply new rules, regulations, standards or official policies to the Project in such a manner as to significantly increase the cost of the Project. The inability to anticipate these changes, as well as the potential loss of anticipated revenue associated with these development risks and uncertainties would, in the absence of this Agreement, deter and discourage the Developer from making a commitment to the implementation of the Project. Accordingly, Developer cannot prudently commence the development of the Project without the assurance that it will be able to complete the Project.

In addition, the burden of interest and other carrying costs, the difficulty of obtaining construction and/or permanent financing, the risk of losing financing commitments and the potential loss of anticipated revenue associated with these development risks and uncertainties would deter and discourage the Developer, in the absence of this Agreement, from making a long-term commitment to the implementation of the Project. In addition, the costs of the dedication of the Commuter Rail Station Site and the transportation improvements described in Paragraph 4, will be substantial and will be incurred by Developer well in advance of the completion of the private income-producing components of the Project which provide the economic return required to justify and offset the investment for such dedication and improvements. Accordingly, Developer cannot prudently commence the development of the Project, make the dedication of the Commuter Rail Station Site to the City, and install the improvements required by, or set forth in, the Project Approvals and this Agreement, without reasonable assurance that it will be able to complete the Project in accordance with the Project Approvals under the Applicable Rules; and, it is only the assurance of the ability to complete the private income-producing components of the Project in accordance with the Project Approvals under the Applicable Rules that provides the inducement to Developer to commit the land and financial resources represented by the dedication of the Commuter Rail Station Site and the improvements described in Paragraph 4 hereof.

H. Applicability of the Agreement. This Agreement does not: (i) grant density or intensity of use in excess of that otherwise permitted in accordance with the existing zoning or the Specific Plan; (ii) eliminate future Discretionary Actions or Discretionary Approvals relating to the Property; (iii) guarantee that Developer will receive any profit from the Project; or (iv) amend the City's General Plan.

AGREEMENT

NOW, THEREFORE, the foregoing Recitals, which are material to this Agreement are incorporated herein and made a part hereof for the purpose of construing this Agreement, and in consideration of the mutual covenants and agreements contained in this Agreement, the City and Developer agree as follows:

1. Definitions For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) "Appeal Period", unless otherwise specified herein, means a period consisting of thirty (30) calendar days from the date any notice of an action, default or decision for which an appeal is permitted by this Agreement.

(b) "Applicable Rules" means the rules, regulations, and ordinances applicable to the Project on March 9, 1993 ("Complete Application Date"), including the officially adopted policies and standards of the City which govern the permitted uses of the Project and development, density or intensity of use, construction and grading standards and specifications of the City, as well as the General Plan, Specific Plan and Conditions of Approval (as defined below). Applicable Rules shall also include all agreement(s) between Developer and all appropriate school districts, true copies of which shall be attached to, and incorporated in this Agreement when said agreements are executed, marked as Exhibit "B" (the "School Mitigation Agreement(s)"), as such agreement may be modified from time to time by the mutual agreement of the parties thereto, and the "Joint Resolution of the City Council of the City of Santa Clarita, the Board of Supervisors of the County of Los Angeles and the Boards for the William S. Hart Union High School District, Sulphur Springs Union High School District, Castaic District and Saugus Union School District".

(c) "Commuter Rail Station" means the station currently used for public commuter rail services and to be used for that purpose in the future, which is located at the Commuter Rail Station Site.

(d) "Commuter Rail Station Site" means that portion of the Property south of Soledad (including all transit facilities and parking therefor) which is currently leased to the City and which is being used for the Commuter Rail Station and which currently consists of approximately 6.4 acres, as described in Exhibit "C" attached hereto.

(e) "Conditions of Approval" means the Final Conditions of Approval attached and incorporated as Exhibit A to Resolution No. 95-42 which was adopted by the City Council on May 9, 1995, and the Mitigation Monitoring Program attached and incorporated as Exhibit A to Resolution No. 95-41, which was adopted by the City Council on April 25, 1995.

(f) "Developer" means Whittaker Porta Bella Development, Inc., a California corporation, which is a wholly owned subsidiary of Whittaker Corporation, a Delaware corporation.

(g) "Development Agreement Act" or "Act" means California Government Code Section 65864, et seq.

(h) "Development Code" means the Unified Development Code of the City of Santa Clarita, which constitutes Title 17 of the Municipal Code, to the extent that its provisions constitute a portion of the Applicable Rules.

(i) "Discretionary Actions" or "Discretionary Approvals" mean an action or actions which requires the exercise of discretion in making a decision which contemplates and authorizes the imposition of requirements or conditions by the City, including those actions taken by any board commission, or department of the City, and any officer or employee thereof, in the process of approving or disapproving a particular activity, as distinguished from a decision which merely requires the City, including any board, commission or department of the City, and any officer or employee thereof, to determine whether there has been compliance with applicable statutes, ordinances, regulations or conditions of approval.

(j) "Effective Date" is the date on which this Agreement, which has previously been approved by the City Council, has been returned to the City Clerk fully executed by Developer.

(k) "Environmental Impact Report" ("EIR") means the Draft Environmental Impact Report, as amended, and certified by the Final Environmental Impact Report, dated January 7, 1994, together with the Addendum to the Final Environmental Impact Report, dated April 8, 1994, which EIR (SC 92-041040) was certified by the City Council on April 25, 1995 pursuant to Resolution 95-41 and again pursuant to Ordinance No. 95-06 adopted on April 25, 1995.

15

(l) "General Plan" means the General Plan of the City of Santa Clarita, as amended in accordance with the Project Approvals and as applicable to the Project on the Effective Date.

(m) "Health and Safety" as used herein, shall exclude any action based on aesthetics or slope density which results in reduction in use, intensity of use, or density, or which would otherwise preclude development of the Project substantially in accordance with the Project Approvals.

(n) "Processing Fees" means all reasonable fees required by the City under the Applicable Rules including, but not limited to, fees for land use applications, project permits, building applications, building permits, grading permits, parcel maps, tentative tract maps, final subdivision maps, lot line adjustments, and certificates of occupancy which are necessary to accomplish the intent and purpose of this Agreement and the Specific Plan. Processing Fees, as defined herein, shall not include impact fees, standby and connection fees, assessments, charges, general or special taxes and any municipal financing (hereinafter referred to collectively as "exactions") which may be imposed by the City on development projects pursuant to laws enacted after the Complete Application Date, except as specifically provided in this Agreement and in the Specific Plan.

(o) "Project" means the total aggregate development authorized by the Porta Bella Specific Plan and related General Plan Amendments, which project includes 1244 single-family dwelling units, 1,667 multi-family dwelling units, 1,947,904 square feet of gross leasable area for commercial office, retail, and business park space, one hotel, and an area for institutional space.

"Project" includes any improvement with respect to the Property for purposes of effecting the structures, improvements, and facilities contemplated pursuant to this Agreement and the Project Approvals including, without limitation, grading, the construction of the infrastructure and public facilities, the construction of structures and buildings and the installation of landscaping.

(p) "Project Approvals" means the Porta Bella Specific Plan 91-001 (Ordinance No. 95-06); the Vesting Tentative Tract Map 51599, the Final Conditions of Approval attached as Exhibit A to Resolution No. 9542, and Oak Tree Permit 91-033, each approved pursuant to Resolution No. 95-42; certification of the EIR, the adoption of the Mitigation Monitoring and Reporting Plan; and, the Statement of Overriding Considerations, pursuant to Resolution No. 95-41 and Ordinance No. 95-06, on April 25, 1995; and, the

16

amendments to the General Plan, as adopted by the City Council pursuant to Ordinance No. 95-06, all of which are incorporated herein by this reference, as though fully set forth herein.

(q) "Project Site" means the Property as hereinabove defined in Recital D.

(r) "Public Improvements" means (i) those improvements that Developer agrees to construct and dedicate or, (ii) alteratively, the payments of money and/or the dedication of land to the City or such other public entity as the City shall lawfully designate including, without limitation, school facilities and school fees to which Developer agrees in lieu thereof, which improvements include by way of example, but not limitation, the acquisition, dedication and, or construction of easements and facilities described in Paragraph 4 of this Agreement.

(s) "Specific Plan" means the Porta Bella Specific Plan 91-001 (See, Ordinance No. 95-06).

(t) "Subsequent Consistent Rules" means those rules, regulations and official policies of the City becoming effective after the Effective Date of this Agreement, which are applicable to the Project and the Project Site, are consistently and evenly applied to all residential developments in the City and are generally applicable on a Citywide basis, do not affect or control the timing of development on the Project Site, the permitted uses for the Project Site, or the permitted density or intensity of development on the Project Site, do not prevent or unreasonably delay the issuance of permits or other authorizations necessary for the implementation and development of the Project in accordance with this Agreement, and are based upon a determination by the City Council of the City, after public hearing and based on substantial evidence in the record of the hearing, that the failure of the City to apply a particular, subsequently adopted rule, regulation or official policy will place residents of the City in a condition substantially dangerous to their Health and Safety and such condition cannot otherwise be mitigated in a reasonable manner.

(u) "Valley Center Overlay Area" means that portion of the Specific Plan Area which is designated in the General Plan as the Valley Center Overlay and in which the Town Center District and the Soledad District (as defined in the Specific Plan) are located.

2. <u>Public Benefits</u>. This Agreement confirms the benefits provided for in the Specific Plan and Conditions of Approval as

set forth in Paragraphs 4(a) and (b) hereof, and additional public benefits not required in the Specific Plan and Conditions of Approval, as described in Paragraph 4(c) hereof.

3. Development of the Property. In addition to the Applicable Rules, Conditions of Approval, requirements of the Specific Plan and General Plan, all as hereinabove defined, development of the Property shall be subject to the following:

(a) Entitlement to Develop. Developer is hereby granted, as of the Effective Date of this Agreement, the vested right to develop the Project and the Project Site for the Term, to the extent and in the manner provided in this Agreement.

(b) Project Development. Development of the Project will be governed by the Project Approvals, the Applicable Rules, this Agreement and by the General Plan, as implemented through the Specific Plan. Except as otherwise provided in this Agreement, the use designation for the Property, the permitted uses of the Property, the density or intensity of use, the maximum height and size of any proposed buildings and the reservation or dedication of land for public purposes are as set forth in the Project Approvals.

(c) Changes in Law

(i) Changes Which Do Not Apply to Project Rules. Any change in the ordinances, laws, rules, regulations or policies of the City including, without limitation, any change in any applicable General Plan Element, Specific Plan Element, or zoning or subdivision regulation, any such change by means of an ordinance, initiative, resolution, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the City Council, Planning Commission or any other Board, Commission or Department of the City, or any officer or employee thereof, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Project and which would conflict in any way with, or be more restrictive than, the Applicable Rules, shall not be applied by the City to the Project or development within the Project unless such changes constitute a Subsequent Consistent Rule.

(ii) Changes in Building and Fire Codes. Notwithstanding Paragraph 3(c)(i) above, development of the Project shall be subject to changes occurring from time to time in the Uniform Building Code and other uniform construction codes, provided such changes have, and are designed to have, general applicability on a City-wide basis. In addition, development of the Project shall be subject to changes occurring from time

to time in Chapters 18 through 22, inclusive, of the Santa Clarita Municipal Code applicable to private improvements to be constructed on the Property and in construction, engineering and design standards applicable to public improvements to be constructed on the Property, provided that such changes do not reduce the use, density, or intensity of use as embodied in the Project Approvals and (i) are found by the City to be necessary to the Health and Safety of the residents of the City, and (ii) are generally applicable to all property in the City. Nothing in this Paragraph 3(c)(ii) is meant to revise, amend, or modify, the definition of "Health and Safety" as set forth in this Agreement.

(iii) Effect of Changes in Applicable Rules or Reductions in the Use, Intensity of Use, or Density of the Project after the Effective Date of the Agreement. If the Applicable Rules are modified and applied to the Project by the City for any reason, or if reductions in the use, intensity of use, or density of the Project occur as the result of litigation or otherwise, then Developer shall have the rights (in addition to all other rights and remedies under this Agreement or applicable law) set forth in Paragraph 7 hereof.

Nothing in this paragraph 3(c)(iii) shall be construed to permit the City to modify the Applicable Rules as they apply to the Project, unless such modification is otherwise expressly permitted by other provisions of this Agreement.

(iv) Subsequent Discretionary Action or Discretionary Approval.

(1) **No Change in Entitlement.** Any subsequent Discretionary Action initiated by Developer, which does not change the uses or increase the density, intensity of use, floor area, or building height, and which meets the Applicable Rules for setbacks, yards, or parking ratios, shall be governed by the Applicable Rules. For these purposes, transfers of density and floor area within the Specific Plan Area as permitted by the Project Approvals shall not constitute a change in density or floor area and shall be governed by the Applicable Rules. All minor changes as identified in the Specific Plan shall be governed by the Applicable Rules and Project Approvals.

(2) **Change in Entitlement.** Any subsequent Discretionary Action initiated by Developer, which

changes the use or increases the density or intensity of use, on the Property (or any portion thereof) beyond that permitted in the Project Approvals, shall be subject to the rules, regulations and official policies of the City, in effect on the Complete Application Date and shall become a part of the Project Approvals under this Agreement upon approval; provided, however, that no such subsequent Discretionary Action, whether approved or disapproved, will constitute grounds for the termination of this Agreement or otherwise affect the enforceability of this Agreement with respect to the development of the Property hereunder.

(3) **Changes Mandated and Required by Federal/State Law**. This Agreement shall not preclude the application to the Project of changes in the Applicable Rules, including City ordinances, rules, regulations and official policies, to the extent that such changes are mandated and required to be applied to the Project by state or federal laws or regulations or by direction of a court of competent jurisdiction over the Project Approvals, the Applicable Rules or this Agreement. As provided in Section 65869.5 or any successor statute thereto, if state or federal laws or regulations or a court order prevent or preclude compliance with one or more provisions in this Agreement, such provisions shall be modified or suspended as may be necessary to comply with such state or federal laws or regulations or a court order.

(4) **Action by City**. The City agrees to timely consider and act upon subsequent Discretionary Actions or Discretionary Approvals reasonably necessary or desirable to accomplish the intent, purpose and understanding of both the City and Developer in entering into this Agreement, and expressed in this Agreement. So long as Developer complies with the Applicable Rules, the City agrees that it will not unreasonably withhold from Developer, or unreasonably condition, any Discretionary Action or Discretionary Approval granted by the City and required in order for the Project to proceed to construction, completion and occupancy. The City hereby agrees that land uses, density, intensity of use, floor area, building height, lot area, setbacks, yards, parking and other entitlements permitted on the Property by the Project Approvals are approved or will be

approved pursuant to the provisions of this Agreement, provided that Developer satisfactorily complies with all preliminary procedures, actions, payments of Processing Fees and criteria generally required of developers by the City for processing applications for development and consistent with this Agreement. The City is bound to permit the uses, intensity of use, and density on the Property which are permitted in this Agreement. Any subsequent Discretionary Action by the City and any conditions, terms, restrictions, and requirements for such Discretionary Actions by the City, shall not prevent development of the Property for the uses and to the maximum density or intensity of development set forth in the Project Approvals and this Agreement.

Except as specifically provided in this Agreement and in the Project Approvals, or as mandated and required pursuant to Paragraph 3(c)(iv)(3), above, in the development of the Project, Developer shall not be required to pay any exactions which may be imposed by the City on development projects pursuant to laws enacted after the Complete Application Date.

(d) **Extension of Tentative Parcel Maps**. To the extent allowed by the Subdivision Map Act (Section 66410, et seq.), the terms of:

(i) Any tentative map including, without limitation, Vesting Tentative Map 51599, and any other tentative tract map or vesting tentative map which may be adopted for the Project;

(ii) Any amendment (or reconfiguration) of any such map (including any lot line adjustment or merger of lots within such a map); or

(iii) Any other map relating to a subdivision of any part of the Property filed prior to the termination of this Agreement, shall automatically be extended for the Term of this Agreement.

(e) **Conditions and Mitigation Measures**. Subject to the provisions of Paragraph 8(b), Developer shall be responsible for complying with all conditions and mitigation measures required for subsequent tentative map approvals consistent with the provisions of this Agreement.

21

(f) City Acknowledgement and Findings.

(i) Recognition of Developers Right to Rely. The City acknowledges that in investing money, and the planning effort in and to the Project, and in undertaking commencement of the Project, Developer will be acting in reliance upon the City's covenants contained in this Agreement and upon the enforceability of this Agreement, and the City agrees that it will be reasonable and justifiable for Developer to so rely.

(ii) Consistency with Applicable Rules. The City finds that the Project, the required traffic and circulation and other improvements, and the proposed public facilities, located both on the Property and outside the Property boundaries, are consistent with the General Plan, including the Specific Plan and the applicable zoning regulations. The City further finds based upon all information made available to the City prior to, or concurrently with, the execution of this Agreement, that there are no Applicable Rules that would prohibit or prevent full completion and occupancy of the Project in accordance with the uses, densities, intensities, designs, maps, heights and phasing incorporated into this Agreement. Developer is entering into this Agreement in reliance upon each such finding.

(iii) Interim Uses. The City agrees that Developer may use the Property during the Term of this Agreement for any use which is otherwise permitted by the applicable zoning regulations, the Specific Plan, and the General Plan in effect at the time of the interim use.

(g) Phasing of Development. Developer cannot at this time predict when or the rate at which phases of the Project will be developed. Such decisions depend upon numerous factors which are not all within the control of Developer, such as market orientation and demand, interest rates, competition and other factors. The California Supreme Court held in Pardee Construction Co v. City of Camarillo, (1984) 37 Cal.3d 465, that the failure of the parties therein to provide for timing of development allowed a later adopted initiative which restricted the timing of development to prevail over the agreement of the parties. In order to avoid the effects of that decision, it is the intent of the City and Developer to cure the deficiency described in Pardee by providing for the right of the Developer to develop the Project in such order and at such rate and times as Developer deems appropriate within the exercise of its

sole reasonable business judgment. Therefore, the parties have agreed as follows:

At the time that the Project Approvals were granted and the Conditions of Approval were imposed for the Project, the Project was divided into three geographical areas identified as Phase 1, Phase 2, and Phase 3 (collectively, the "Phases"). The numbers of units and types of development intended to be placed in each of the Phases are identified in Condition of Approval TE-1.

City acknowledges and agrees that, notwithstanding anything contained in this Agreement or the Project Approvals to the contrary, Developer may divide one or more of the Phases in subsections for purposes of recording maps and scheduling construction. City further acknowledges that market conditions may make it expedient or desirable for Developer to proceed with portions of one of the Phases in an order other than that indicated by the numeral identification of a Phase (by way of example and in no way intended to limit the possible alternative order; e.g., to build a portion of Phase 2 before Phase 1, or a portion of Phase 3 before Phase 2).

City and Developer hereby agree that, unless otherwise required pursuant to Section 4 of this Agreement, whenever the Conditions of Approval or Project Approvals require an improvement or improvements (a "requirement") to be constructed prior to issuance of certificates of occupancy for a Phase, that requirement shall be completed as follows (1) with respect to street improvements and traffic conditions for a subsection for which Developer proposes to record a map, at the time dictated by traffic studies required in connection with the recordation of such map; and (2) with respect to all other requirements for a Phase, prior to issuance of occupancy certificates for a subsection within a Phase only to the extent such requirements reasonably satisfy the impacts from the development of such subsection; provided, however, that Conditions TE-4, TE-5 and TE-12 shall be met prior to completion of the first subsection constructed by Developer, regardless of the order in which the Developer constructs the Phases.

(h) <u>Right-of-Way Acquisition</u>.

(i) <u>Acquisition of Right-of-Way for Roadways or Street Improvements</u>. With respect to any and all necessary right-of way acquisitions for the roadway or street improvements provided for in this Agreement or otherwise required under the Project Approvals, Developer shall be afforded the right to use its best efforts to negotiate such acquisitions with concerned

23

third parties. If such efforts by Developer are unsuccessful, it shall notify the City and, in such notice, shall set forth the nature of the property interest ("Required Property Interest") which the Developer has unsuccessfully sought to acquire or obtain to satisfy any requirement of this Agreement or any Project Approval. Upon notification, the City agrees to exercise, in a timely manner, its best efforts to cooperate in connection with the implementation of such improvements and agrees to follow all procedures required to acquire any necessary rights-of-way at fair market value by, private negotiations, of which it shall give notice to Developer. The City further agrees that if, despite such negotiations, it is unable to acquire such land, it shall conduct hearings and exercise its discretion with respect to acquiring required rights-of-way in accordance with the provisions of California Code of Civil Procedure Section 1240.010, et seq. The parties hereby agree that, as a condition to the City's acquiring any required rights-of-way, Developer shall be responsible for, and shall advance to the City the fair market value of any and all Required Property Interests acquired by the City and shall reimburse City for all reasonable additional costs incurred by City in the exercise of eminent domain with respect to such acquisitions, including, without limitation, reasonable attorneys fees and costs.

(ii) **Third Party Exactions**. If, subsequent to the Effective Date, third parties apply for, or are granted by the City, entitlement to the use of real property benefitted by roadways or street improvements required by, or set forth in, the Project Approvals or this Agreement, the City shall require such third parties (a) to acquire, dedicate and improve, at a minimum, such necessary rights-of-way and interests in real property as are required for the development of such third parties and (b) to equitably reimburse Developer for any benefits which any such third party derives from roadways or street improvements or other public facilities provided by Developer at its cost.

The term "benefit" as used in this Paragraph 3(b)(ii) shall include, without limitation, provision of capacity for impacts and the elimination of impacts with which any third party would have had to contend in his/her/their/its development but for the improvements provided by Developer. Reimbursement by a third party for benefit to that third party created by Developer shall include all costs which are in excess of

Developer's fair share of the costs to provide the benefit.

4. __Obligations of Developer__. In order to construct the Project, Developer is required to perform those requirements and to satisfy those conditions in connection with the development of the Project as set forth in the Specific Plan and the Conditions of Approval, as summarized in Paragraphs 4(a) and 4(b) below, which are intended to recite and summarize elements of the Specific Plan and Conditions of Approval and, except as otherwise expressly provided, are not intended to modify, amend or revise the Specific Plan or the Conditions of Approval in any way. In consideration for the City entering into this Agreement, the Developer agrees to provide those items set forth in Paragraph 4(c) below.

(a) General Project Requirements

(i) __Restoration__. As development proceeds, the Project shall be governed by the Specific Plan which seeks to restore a highly disturbed site to compatible contemporary uses in contrast to its current status as a vacated former industrial manufacturing site in the middle of what has become a residential and suburban community, (See, Section 2.3 of the Specific Plan.

(ii) __Implementation of the Valley Center Concept of General Plan__. As development proceeds, the Project shall implement the Valley Center Concept of the General Plan as follows:

(1) __Commuter Rail Station__. Integrating an array of mobility alternatives provided by the Project with the Commuter Rail Station Site located in the Soledad District, as required by Section 4.2 of the Specific Plan.

(2) __People Mover__. Connecting the lower elevation of the Commuter Rail Station Site adjacent to Soledad Canyon Road to the higher elevation of the Town Center District with a people mover as required by the Specific Plan and the Conditions of Approval. (See Sections 3.1.1. 3.1.2, and 4.4 of the Specific Plan and Conditions of Approval DS-13, TR-3 and TR-5). Notwithstanding anything to the contrary contained herein or in the Project Approvals, Developer may, in it sole discretion, satisfy this requirement with either a funicular or escalator.

(3) __Pedestrian Access__. Providing direct pedestrian access to the "Santa Clarita

Transportation Center" located at the Commuter Rail Station Site in accordance with the requirements of Condition of Approval TR-3, a grade separated under crossing of the rail line (utilizing the existing railroad bridge) to allow pedestrian and bicycle access from the Soledad District (as defined in the Specific Plan at Section 3.1.2) to the Commuter Rail Station and to the "Chuck Pontius Commuter Rail Trail", in accordance with Condition of Approval PR-10, and pedestrian connections to various residential and nonresidential components of the balance of the Project, including the "ridge runner" trail.

(iii) **Open Space, Parks & Recreation**. The Project shall provide not less than 448 acres (constituting approximately forty-four percent (44%) of the Property) as open space (including parks, recreation areas, open space and riparian habitats), all as described in Section 3.6 of the Specific Plan. Notwithstanding anything contained in this Agreement to the contrary, the parks set forth in the Specific Plan shall be offered for dedication in the phase of development in which such parks are located and Developer shall receive full credit against all applicable Quimby Fees and similar fees charged by any governmental entity with respect to the provision of parks and open space in connection with the development of dwelling units, including fees imposed pursuant to Chapter 16.15 of the Development Code and Section 17.17.060 of the Development Code. If a phase of development is commenced before a park or parks (or other recreational facilities) required pursuant to the Specific Plan or under this Agreement have been provided, and if fees in connection with such development have been imposed in lieu of the dedication or provision of such parks or recreational facilities, then the City shall reimburse (together with any interest earned thereon) Developer for such fees to the extent such parks are subsequently dedicated or provided by the Developer.

(iv) **Elementary School Site**. Developer shall reserve, in the Central District area located at the end of Oak Dale Canyon as depicted in Section 3.1.3 of the Specific Plan, a site, not to exceed ten (10) acres, for the establishment of an elementary school for the Newhall School District, which site shall be subject to the provisions of a School Mitigation Agreement(s) which shall be attached hereto as a part of Exhibit "B".

(v) **Road System**. Developer shall pay the Via Princessa Bridge and Thoroughfare District fees, for each unit or acre within said District, in the amount of $7,150 per single family dwelling unit, $5,720 per multi-family dwelling unit, $5,005 per multi-family apartment; $35,750 per acre of commercial land use; $7,150 per acre of neighborhood commercial land use, and $21,450 per acre of industrial land use, and Developer shall pay the Bouquet Canyon Bridge and Thoroughfare District fees, for each unit or acre within said District, in the amount of $5,300 per single family dwelling unit, $4,240 per multi-family dwelling unit, $3,710 per multi-family apartment, $26,500 per acre of commercial land use; $5,300 per acre of neighborhood commercial land use; and $15,900 per acre of industrial land use, all in accordance with the Conditions of Approval, or in lieu of all or part of such fees, will construct significant portions of roads and intersection improvements as required under the Conditions of Approval, including the following four General Plan Circulation Element roads:

(1) Santa Clarita Parkway, at an estimated cost of $43,008,300.00;

(2) Magic Mountain Parkway, at an estimated cost of $16,320,000.00;

(3) Via Princessa, at an estimated cost of $12,000,000.00; and

(4) Bermite Connector (Main Street, as defined in the Specific Plan), at an estimated cost of $647,000.00.

Developer shall be given credit for actual costs incurred for construction of the roads described above against any fees required in either the Via Princessa Bridge and Thoroughfare District or the Bouquet Canyon Bridge and Thoroughfare District. The parties hereto acknowledge and agree that no portion of the Project shall be subject to fees payable under both the Via Princessa Bridge and Thoroughfare District and the Bouquet Canyon Bridge and Thoroughfare District.

(vi) **Alternative Transportation Modes**.

(1) **Commuter Rail**. The Specific Plan contemplates the continued location of the Commuter Rail Station in its current location in the Soledad District. (See, Section 4.2 of the Specific Plan). Developer has made this location

27

possible by entering into that certain Commuter Rail Station Lease with Option to Purchase with City, pursuant to which Developer agreed to permit the City to use a site, consisting of 6.4 acres initially and an expanded site of approximately 10 acres. The Developer's obligations with respect to the Commuter Rail Station Site shall hereinafter be governed by the provisions of Paragraph 4(c)(iv) below. Developer's independent appraisers have valued the Commuter Rail Station at $2,500,000. [4]

(2) __Bus Transit__. Developer shall provide bus stops and shelters as required pursuant to ED-39 and TR-2 of the Conditions of Approval. (See, Section 4.3 of the Specific Plan).

(3) **__People Mover System__**. As described above in Paragraph 4(a)(ii)(2).

(4) **__Pedestrian System__**. Developer shall provide:

(a) direct pedestrian access to Main Street and Via Princessa (as identified in the Specific Plan) to facilitate access to bus transit, in accordance with TR-3 of the Conditions of Approval;

(b) a grade separated under crossing of the rail line to allow pedestrian access from portions of the Soledad District to the Commuter Rail Station Site in accordance with the Conditions of Approval;

(c) a "ridge runner trail" atop the ridge within the Open Space areas of the Specific Plan area, in accordance with of the Conditions of Approval. (See Section 4.5 of the Specific Plan).

(d) a community trail connecting the elementary school site and adjoining park with the community park, an additional

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[4] Wherever an estimated value or estimated cost for an obligation is set forth in this Agreement, it is understood and agreed by City and Developer that the Developer shall carry out the obligation for which such estimated value or estimated cost is stated, irrespective of whether or not the ultimate value of the obligation is of greater or less value than that estimated herein at the time of its completion.

neighborhood park, and the "ridge runner trail" through a grade separated under-crossing and green belt, as depicted in Section 3.1.3 and 3.1.4 of the Specific Plan, notwithstanding anything contained in this Agreement to the contrary, Developer shall be deemed to have satisfied the requirement for such community trail if the trail meets the design standards set forth in Exhibit "D" attached hereto.

(5) Bicycle Systems. Developer shall provide bicycle trails throughout the project connecting to the city-wide bicycle trail network, in accordance with PR-10 of the Conditions of Approval. Notwithstanding anything contained in this Agreement to the contrary, Developer shall be deemed to have satisfied the requirement for Class I trails under PR-10 of the Conditions of Approval by locating a Class I trail along Magic Mountain Parkway within the Project.

(6) Equestrian Path. Developer shall provide an equestrian path located in the Oro Fino Canyon area of the Project which connects to points offsite currently used by equestrians. Two (2) under crossings will be provided under Santa Clarita Parkway, south of Via Princess, to be constructed at the time that portion of Via Princessa is built. Notwithstanding anything contained in this Agreement to the contrary, Developer shall be deemed to have satisfied the requirement for equestrian trail under-crossings by locating one under crossing near the institutional site shown in the Specific Plan and another at the Placerita Creek Trail. (See, 4.6 of the Specific Plan).

(7) Job/Housing Balance. In keeping with the Valley Center Overlay, and providing for the commercial needs of the Project, as well as the surrounding communities, the commercial and office components shall be concentrated in a central area of the Project's Town Center District, (See Section 3.1.1. B of the Specific Plan). The Town Center District also includes residential uses as a result of which, the Project joins the provision of job creating commercial land uses with supporting housing.

(b) Special Project Requirements.

(i) Springbrook Improvements. Prior to occupancy of Phase 1, Developer shall construct streetscape improvements to Springbrook Avenue as more specifically described in Condition of Approval DS-30. To meet this condition, Developer shall construct such improvements to the standards and specifications set forth in Exhibit "E" attached hereto.

(ii) "Oak Orchard Area" Drainage Improvements. Developer shall construct drainage improvements for the Oak Orchard area of Placerita Canyon as set forth in Condition of Approval DS-28. To satisfy the requirements of this condition, Developer shall construct such improvements to the standards and specifications set forth in Exhibit "F" attached hereto.

(iii) "Oak Orchard Area" Emergency Access. Notwithstanding anything contained in this Agreement to the contrary, Developer shall be deemed to have satisfied the requirements of Condition DS-27 of the Conditions of Approval if Developer constructs a locked gate and driveway apron.

(iv) Circle J Estates Buffer. During the construction of Via Princessa, Developer shall meet the requirements of Condition DS-23 of the Conditions of Approval. Notwithstanding anything contained in this Agreement to the contrary, Developer shall be deemed to have satisfied the requirements of Condition DS-23 of the Conditions of Approval if Developer installs the buffer in the location designated in Exhibit "G" attached hereto and meets the design standards set forth in Exhibit "H" attached hereto.

(v) Karie Lane Access. Developer shall construct a gate-guarded entry at the Karie Lane entrance to the Circle J Estates to the extent required pursuant to Condition of Approval DS-25. Notwithstanding anything contained in this Agreement to the contrary, Developer shall be deemed to have satisfied the requirements of Condition DS-25 of the Conditions of Approval if Developer meets the design standards set forth in Exhibit "I" attached hereto.

(c) Further and Special Consideration for Development Agreement. As consideration for this Agreement, the Developer hereby agrees to provide the following improvements which, to the extent hereinafter set forth, modify, amend or revise the Conditions of Approval:

(i) Developer Shall Cause the Whittaker Corporation to Indemnify the City. Developer shall enter into, and Developer hereby agrees to cause The Whittaker Corporation to enter into that certain Indemnity Agreement attached hereto as Exhibit "J" for all purposes related to indemnification of the City;

(ii) Design of Magic Mountain/Via Princessa Roadway. The Developer shall design the Magic Mountain/Via Princessa roadway to be a through street, if feasible. The City shall consider the recommendations of future traffic studies and Developer may satisfy this condition by constructing the road improvements to meet then-existing traffic requirements based upon revised traffic studies as approved by the City. For purposes of this subsection, "if feasible" shall mean that the foregoing requirement does not (1) require the Developer to change the density or intensity of use of all or any portions of the Project in order to accommodate such through street; (2) cause the City or Developer to prepare or circulate one or more supplemental Environmental Impact Reports with respect to such through street or any other changes required to accommodate such through street, (3) result in any additional Discretionary Action, or (4) have any substantial adverse effect upon the Project.

(iii) City to be Party to CC&RS, The City shall be made a party to all conditions, covenants and restrictions (the "CC&Rs") for the Project and the consent of the City shall be required to permit any homeowners' association formed pursuant to the CC&Rs to disband or become inactive;

(iv) Use, Option to Purchase and Grant of Commuter Rail Station Site. Developer shall enter into an agreement, in the same form and substance as Exhibit "K" attached hereto, pursuant to which Developer shall do the following (a) Developer shall lease the Commuter Rail Station Site to the City for One Dollar ($1) per year, for a period of three (3) years commencing on April 21, 1996; (b) shall grant to City an option to purchase the Commuter Rail Station Site at any time during such three-year lease term at the 1995 appraised value ($2,500,000) plus any percent by which the Consumer Price Index (as hereinafter defined in footnote [5]) has increased between April 21, 1995 (the

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[5] "Consumer Price Index" shall, for all purposes in this Agreement, mean the United States Department of Labor (continued...)

date of the valuation) and the date on which the purchase is consummated. If, at any time prior to the consummation of any purchase pursuant to clause (b) above, Developer records the final tract map for any subsection of the Project, Developer shall dedicate the Commuter Rail Station Site to the City upon such recordation; and if, at any time after the City has purchased the Commuter Rail Station Site Developer records the first final tract map for any subsection of the Project, Developer shall reimburse the City for the full purchase price by the City plus any percentage by which the Consumer Price Index has increased during the period between the date the City consummated its purchase and the date of reimbursement. During the term of this Agreement, the City shall use the Commuter Rail Station Site as a public passenger station for commuter rail transportation, subject only to ancillary uses supporting such primary use.

(v) **Compliance with Condition TE-12**. The Developer shall comply with Condition of Approval TE-12 to provide widening of Magic Mountain Parkway (Magic/Princessa) to four traffic lanes from Rio Vista Road to Rainbow Glen Drive in accordance with Traffic Engineering Condition of Approval TE-1 prior to issuance of occupancy permits for Phase 1 of the Project instead of Phase 2;

(vi) **Grading City-owned Site**. The Developer shall, during Phase 1 of the Project grading and at its sole cost, grade twenty (20) acres ("Civic Center Parcel") of the two hundred thirty (230) acre City-owned site next to the Bermite Site (the "Civic Center Site"), as more particularly described in Exhibit "L" to this Agreement, in accordance with previously drafted Civic Center Master Plan, as shown in Exhibit "M" to this Agreement, as that Plan may subsequently be modified by the City Council from time to time; provided that, at the time of such grading, the Civic Center Parcel is designated as such in the City's General Plan (as the General Plan exists at the time of such grading and not as defined in this Agreement) in substantial accordance with the Santa Clarita Civic Center Master Plan Report of May 17, 1993. The estimated cost of said grading is approximately $3 million. The grading required by this subsection (vi)

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[5](...continued)
revised Consumer Price Index, Los Angeles-Anaheim-Riverside CMSA, All Urban Consumers (CPI-U), all items (1983-1984 = 100) published monthly by the Bureau of Labor Statistics.

32

shall commence only upon specific authorization from the City Council or its designated agent to grade the site for use as City's Civic Center.

(vii) Radio Repeater System. The Developer shall, at its sole cost, dedicate to the City a site for a radio repeater system station (the "Radio Repeater Site") at a location at the highest, or otherwise most advantageous point reasonably suited for the purpose and acceptable to the City. The Radio Repeater Site shall be dedicated at the earlier of (1) development of the parcel in which the Radio Repeater Site is located, or (2) when Phase 3 of the Project is started.

(viii) Industrial Property Deed and Grading. The Developer shall, at its sole cost, deed to the City and grade the buildable portion of the lot shown in Exhibit "N" to this Agreement,an eight (8) acre industrial site (the "Industrial Site") located near the intersection of Golden Triangle and Redview (estimated value of $1.8 million, including grading). The Industrial Site shall be graded and dedicated at the earlier of (1) completion the grading of the phase in which the Industrial Site is located, or (2) when the first building permits for units in Phase 3 are issued. The dedication of the Industrial Site shall contain a provision that City shall use the Industrial Site for public purposes throughout the Term of this Agreement;

(ix) Institutional Lot Dedication. The lot located at the corner of Santa Clarita Parkway and Via Princessa (the "Institutional Lot") which was previously identified as a fire station site (estimated value of $1.3 million) shall be graded and dedicated by Developer, at its sole cost, at the earlier of (1) completion of grading of the phase in which the Institutional Lot is located, or (2) when the first building permits for units in Phase 3 are issued;

(x) Utilities to be Brought to Site. The Developer shall bring sewer, water, storm drainage and reclaimed water lines reasonably required to service the Civic Center Site to that Site;

(xi) Temporary Location for Bus Storage. At the earliest time practicable, but in no event later than issuance of a certificate of clearance of the Property of hazardous substances issued by the Environmental Protection Agency and the State of California, the Developer shall provide a temporary location, to City's satisfaction, in the industrial area of the Project for the storage of public transit buses and shall provide

the City with a map pinpointing the location of such temporary facility which shall become a part of, and be incorporated in, this Agreement as though fully set forth herein. This shall be done before Certificates of Occupancy are issued for Phase 1.

(d) **Effect of Litigation**. If litigation is timely instituted, and a final judgment is obtained which invalidates this Agreement in its entirety, then Developer shall have no obligations under this Agreement other than those imposed by the Project Approvals.

5. **Obligations of the City**.

(a) **Effective Development Standards**. The City is bound with respect to the uses permitted by this Agreement, insofar as this Agreement and the Project Approvals so provide or as otherwise set forth in the Applicable Rules. The City hereby agrees that the land uses, density and intensity of uses set forth in this Agreement are approved or will be approved pursuant to the provisions of this Agreement; the foregoing is subject to Developer reasonably and satisfactorily complying with all preliminary procedures, actions, payments of Processing Fees, and criteria generally required of developers by the City for processing applications for developments. The City agrees to timely consider and act upon applications for the necessary land use, zoning, site plan, or subdivision approvals and timely consider and act upon the applications for other approvals and permits that will accomplish development of the Property for the uses, density and intensity of development described and shown in this Agreement and the Project Approvals.

(b) **Conflicting Enactments**. Any City ordinance, resolution, or other measure enacted or promulgated which is in conflict with this Agreement, or which renders non-conforming the uses, intensities of use, or densities allowed by this Agreement, except as provided in Paragraph 3(c)(iv)(3) of this Agreement, shall not apply to the Property or the Project or be used by the City to unreasonably delay or prevent the development of any phase or component of the Project.

(c) **Moratoria**. In the event an ordinance, resolution or other measure is enacted, whether by action of the City, by initiative, or otherwise, which relates to the rate, timing, sequencing, or phasing of the development or construction on all or any part of the Property, City agrees that such ordinance, resolution or other measure shall not apply to the Property or this Agreement, unless such ordinance, resolution or other measure does not reduce the use, density or intensity of use as embodied in the Project Approvals

and: (a)(i) is found by the City to be necessary to the Health and Safety of the residents of the City and is based upon a determination by the City Council of the City, after public hearing and based on substantial evidence in the record of the hearing, that the failure of the City to impose such ordinance, resolution or other measure will place the residents in the City in a condition substantially dangerous to their Health and Safety and such condition cannot otherwise be mitigated in a reasonable manner; (ii) is generally applicable to, and intended to be in good faith generally applicable to all properties on a City-wide basis; and (iii) does not prevent or unreasonably delay issuance of permits, or other authorizations, necessary for the implementation and development of the Project in accordance with this Agreement, or (b) is required by a court of competent jurisdiction over this Agreement.

(d) Reimbursement Mechanism. The City shall set up mechanisms for reimbursement of the Developer for public improvements required by, or set forth in, this Agreement, the Project Approvals and the Conditions of Approval to, and only to, the extent that third parties benefit by or are contemplated to benefit by public improvements required of the Developer. The City shall not object to the establishment of reimbursement mechanisms established by other public agencies to reimburse the Developer to, and only to, the extent that third parties benefit or are contemplated to benefit by, public improvements required of the Developer or imposed upon the Developer by such public agencies. The foregoing notwithstanding, any costs which are required or conditioned with respect to a Phase or Phases of the Project shall be satisfied by the Developer prior to the issuance of Certificates of Occupancy for any such Phase or Phases.

6. General Provisions.

(a) Effective Date. This Agreement shall be effective upon the date on which the City Council has approved this Agreement and Developer has executed this Agreement and returned it to the City Clerk. When Developer has executed this Agreement and returned it to the City Clerk (which execution and return shall not exceed the time period set forth in Section 17.03.010 of the Development Code), the Mayor of the City, shall execute this Agreement and the City Clerk shall record a copy of this Agreement not more than ten (10) calendar days following the date by which Developer has executed and returned this Agreement.

(b) Periodic Review.

(i) Annual Review. During the Term of this Agreement, the City shall annually review Developer's compliance with this Agreement in accordance with the provisions of this Agreement. There shall be no more frequent review of this Agreement than once a year. Such periodic review shall be limited in scope to good faith compliance with the provisions of this Agreement as provided in the Act (Section 65861). Nothing in this Agreement shall be construed to impose an affirmative duty to proceed with development if Developer decides to defer or to temporarily or permanently terminate construction of the Project.

(ii) Pre-Report Procedure. Developer's submission of compliance with this Agreement shall be made in writing and transmitted to the Community Development Director not later than sixty (60) days prior to the yearly anniversary of the Effective Date.

(iii) Director's Determination. On or before the yearly anniversary of the Effective Date of the Agreement, the Community Development Director shall determine whether Developer has complied with this Agreement in good faith. If, on the basis of review of this Agreement, the Community Development Director concludes that Developer has not complied in good faith with the terms of this Agreement, the Community Development Director may issue, not later than the applicable anniversary of the Effective Date, a written "Notice of Noncompliance" specifying the detailed grounds for such decision and all facts demonstrating such noncompliance.

(iv) Planning Commission Hearing. If the Community Development Director issues a Notice of Noncompliance, the Director shall notify the Planning Commission of the Director's findings. A public hearing before the Planning Commission shall be held at the first regular meeting of the Planning Commission which is at least thirty (30) days after the issuance of the Community Development Director's Notice of Noncompliance; provided, however, the Planning Commission may, in its sole discretion, choose to hold a special meeting for this purpose, after giving notice thereof as required by Section 65867, but no earlier then thirty (30) days after the issuance of such Notice of Noncompliance. In either event, the Community Development Director shall give notice of the public hearing in accordance with the notice and hearing requirements of Section 65867. After such hearing, the

Planning Commission shall make written findings and determinations, on the basis of substantial evidence, whether or not Developer has complied in good faith with the provisions of this Agreement.

(v) **Appeal by Developer**. If the Planning Commission makes a finding and determination of non-compliance, only the Developer shall be entitled to appeal the determination to the City Council in accordance with the Appeal Procedure set forth below. In the event of a finding and determination of compliance, there shall be no appeal by any person or entity.

(vi) **Period to Cure Non-Compliance**. If, as a result of this Annual Review procedure, it is found and determined by the Planning Commission, or in the case of an appeal, the City Council, that Developer has not complied in good faith with the provisions of this Agreement, the City, after denial of any appeal or, where no appeal is taken, after the expiration of the Appeal Period, shall submit to Developer, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Paragraph 8(k), stating with specificity those obligations of Developer which have not been performed. Upon receipt of the notice of default, Developer shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than one hundred and twenty (120) days after receipt of the notice of default, or such longer period of time as is reasonably necessary to remedy such default(s) provided that Developer shall continuously and diligently pursue such remedy at all times until such default(s) is cured. In the event of a default by a permitted successor, transferee and/or an assignee of Developer, the City shall send a copy of the notice of default to the Developer, as well as the permitted successor, transferee and/or assignee in the manner provided in this Paragraph and Developer shall have the right, but not the obligation, to cure such default(s) as provided in this Paragraph. If at the end of the cure period, Developer fails to cure such noncompliance or is not making reasonable good faith progress towards such end, then the City Council may, at its discretion, proceed to terminate this Agreement or establish a time period for compliance, or such longer period as is reasonably necessary to remedy such default(s) provided that Developer shall continuously and diligently pursue such remedy at all times until such default(s) is cured.

(vii) **Failure to Cure**. If the Community Development Director finds and determines that Developer, or any permitted successors, transferee, and/or assignee has not cured a default or defaults pursuant to Paragraph 6(b)(vi), and that the City should consider terminating or modifying this Agreement or those transferred or assigned rights and obligations, the Community Development Director shall make a report to the Planning Commission. The Community Development Director shall then set a date for a hearing before the Planning Commission in accordance with the notice and hearing requirements of Sections 65867 and 65868. If after such hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that Developer, or its successors, transferees, and/or assignees, has not cured a default pursuant to Paragraph 6(b)(vi), and that the City should terminate or modify this Agreement, or those transferred or assigned rights and obligations, the finding and determination shall be appealable pursuant to procedures set forth in this Agreement. In the event of a finding and determination of compliance, there shall be no appeal by any person or entity.

(viii) **Failure to Conduct Annual Review**. The failure of the City to conduct the annual review shall not be a Developer default.

(ix) **Termination or Modification of Agreement**. The City may terminate or modify this Agreement after a final determination to terminate or modify this Agreement, made by the City Council, or where no appeal is taken, after the expiration of the Appeal Period from a Planning Commission determination that the City should terminate or modify this Agreement. There shall be no modification of this Agreement unless the City give notice pursuant to Section 65868, irrespective of whether an appeal is taken as provided herein.

(x) **Initiation of Review by City Council**. In addition to the annual review, notwithstanding Paragraph 6(b)(i) above, the City Council may at any time initiate a review of this Agreement for good cause by giving written notice to Developer. Within thirty (30) days following receipt of such notice, Developer shall submit evidence to the City Council of Developer's good faith compliance with this Agreement and such review and determination shall proceed in the same manner as provided for the annual review in accordance with the provisions hereinabove set forth. In the event of a finding and determination of

compliance, there shall be no appeal by any person or entity.

7. Remedies.

(a) Intent. Under this Agreement, Developer's obligation to the City is to develop the Project, subject to the conditions and requirements of the Project Approvals and the Applicable Rules, in accordance with its business judgment and taking into consideration market conditions and other economic factors influencing Developer's decision to commence or to continue development, and the City's intent is to permit Developer to complete the Project in accordance with the Project Approvals and Applicable Rules. In turn, the parties anticipate that the City's promises in this Agreement will induce the Developer to start and complete the Project and, in so doing, cause developer to provide the public benefits in connection with such development as such Project proceeds, in accordance with this Agreement. Therefore, the parties agree that the following provisions shall govern the rights and remedies of the parties if either party breaches its obligations under this Agreement.

(b) Default by The City. If the City does not accept, process, or render a decision on necessary development permits, entitlements, or other land use or building approvals for use in a timely fashion as provided in this Agreement upon compliance with the requirements therefor, or as otherwise agreed to by the parties, or the City otherwise defaults under the provisions of this Agreement, Developer shall have all rights and remedies provided herein as well as under applicable law, which rights and remedies shall include, but not be limited to, compelling the specific performance of the City's obligations under this Agreement. In the event of default by the City, Developer shall first submit to the City, by registered or certified mail, return receipt requested, postage prepaid, a written notice of default, stating with specificity those obligations which have not been performed. Upon receipt of the notice of default, the City shall promptly commence to cure the identified default(s) after receipt of the notice of default and shall complete the cure of such default(s), provided that the City shall continuously and diligently pursue such remedy at all times until such default(s) is cured.

(c) Default by Developer. If Developer (or its successors, transferees or assigns permitted by this Agreement) does not perform its obligations under the Agreement in a timely manner, the City's remedies shall be limited to the right to specifically enforce the terms of this Agreement and the right to engage in dispute resolution as hereinafter provided in Paragraph 7(d) hereof. However, nothing

contained in this Agreement shall give the City the right to compel Developer (or its permitted successors, transferees or assigns) to commence or to continue the Project (or any portion thereof). The City shall not exercise any of its remedies until the City has first complied with the following procedure:

(i) <u>Notice of Default</u>. The City through the Community Development Director shall submit to Developer (or its permitted successors, transferees or assigns) by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed by Paragraph 8(k), identifying with specificity those obligations of Developer (or its permitted successors, transferees or assigns) which have not been performed. Upon receipt of the notice of default, Developer (or its permitted successors, transferees or assigns, as the case may be) shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than one hundred and twenty (120) days after receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default(s), provided that Developer (or its permitted successors, transferrers and/or assignees, as the case may be) shall continuously and pursue such remedy at all times until such default(s) is cured. In the event of a default by a successor, transferee, and/or assignee of Developer, the City shall send a copy, of the notice of default to Developer as provided herein and Developer shall have the right, but not the obligation, to cure such default(s) as provided in this Paragraph 7(c)(i).

(ii) <u>Failure to Cure Default Procedure</u>. If after the cure period has elapsed, the Community Development Director finds and determines that Developer, or its permitted successors, transferees and/or assignees, as the case may be, remains in default and that the City should, therefore, consider terminating or modifying this Agreement, or those transferred or assigned rights and obligations, as the case may be, the Community Development Director shall make a report to the Planning Commission and then set a hearing before the Commission in accordance with the notice and hearing requirements of Sections 65867 and 65868. If, after public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that Developer, or its permitted successors, transferees and/or assigns, as the case may be, has not cured the default pursuant to Paragraph 7(c)(i), and that the City should terminate or modify this Agreement, or

those transferred or assigned rights and obligations, as the case may be, Developer and its successors, transferees and/or assigns, shall be entitled to appeal that finding and determination to the City Council in accordance with Paragraph 7(d). In the event of a finding and determination that all defaults are cured, there shall be no appeal by any person or entity.

(d) **Appeals**. Where an appeal by Developer from a finding and/or determination of the Community Development Director to the Planning Commission or from the Planning Commission to the City Council is created by this Agreement, such appeal shall he taken, if at all, in the manner set forth in Paragraph 8(k), within the Appeal Period. The Planning Commission or City Council, as the case may be, shall act upon the finding and/or determination of the Community Development Director or the Planning Commission, as the case may be, as required by law, but in no event later than within eighty (80) days after such mailing, or within such additional period as may be agreed upon by the Developer and the City.

(e) **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 either party hereto is required to do or complete any act matter or thing, the time for the doing or completion thereof and the Term of this Agreement shall be extended by a period of time equal to the number of days during which such party is prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of causes beyond the reasonable control of the party to be excused, including: war; insurrection; strikes, walkouts; riots; floods; earthquakes; fires; casualties; and acts of God; and court actions (such as restraining orders or injunctions).

(f) **Mute Resolution (Arbitration)**.

(i) **JAMS Arbitration**. In order to expedite the resolution of disputes and default, the parties have elected to submit to binding judicial arbitration and mediation. If the matter in connection with any alleged breach is not resolved, in writing, within thirty (30) days of receipt of notice of breach, either party shall have the right to submit the matter to expedited arbitration. Whenever any dispute over enforcement, interpretation or other matters arises between the parties hereto in connection with this Agreement and either party gives written notice to the other in the manner required by Paragraph 8(k) below, such dispute shall be determined by arbitration, and,

within thirty (30) days after the giving of the Notice, both parties shall agree upon and hire one (1) member of the panel of Judicial Arbitration and Mediation Services, Inc. (the "Judge"). If the parties are unable to agree upon selection of the Judge, then the Superior Court of the County of Los Angeles may, upon the request of either party, designate the Judge to act hereunder. The Judge shall be a retired judge experienced with land use, zoning and real estate development matters. As soon as reasonably possible, but not later than thirty (30) days after the Judge is selected, the Judge shall meet with the parties at a location reasonably acceptable to Developer, City and Judge. The Judge shall determine the matter within ten (10) days after such meeting.

(ii) AAA Arbitration. If Judicial Arbitration and Mediation Services, Inc., ceases to exist, and either party gives written notice to the other that a dispute shall be determined by arbitration, then, unless agreed otherwise in writing by all parties, all arbitrations hereunder shall be governed by the then-current rules of the American Arbitration Association. Any determination by arbitration hereunder may be entered in any court having jurisdiction. Within ten (10) days after delivery of such notice, each party shall select an arbitrator with at least five (5) years experience in land use, zoning and real estate development matters and advise the other party of its selection in writing. The two (2) arbitrators so named shall meet promptly and seek to reach a conclusion as to the matter to be determined, and their decision, rendered, in writing, and delivered to the parties hereto, shall be final and binding on the parties. If said arbitrators shall fail to reach a decision within ten (10) days after the appointment of the second arbitrator, said arbitrator shall name a third arbitrator within the succeeding period of five (5) days. Said three (3) arbitrators thereafter shall meet promptly for consideration of the matter to be determined and the decision of any two (2) of said arbitrators rendered, in writing, and delivered to the parties hereto shall be final and binding upon the parties.

If either party fails to appoint an arbitrator within the prescribed time, and/or if either party fails to appoint an arbitrator with the qualifications specified herein, and/or if any two (2) arbitrators are unable to agree upon the appointment of a third arbitrator within the prescribed time, then the Superior Court of Los Angeles County may, upon the request of any party, appoint such arbitrator(s) and the arbitrators chosen

by the Court, as a group, shall have the same power and authority to render a final and binding decision as where the appointments are made pursuant to the provisions of the preceding paragraph. All cost of any arbitrator(s) shall be borne by the party, which does not prevail in that arbitration. All determinations by arbitration hereunder shall be binding upon Developer and City.

(g) Legal Action. In the event the provisions of Paragraph 7(d)(i) or, if applicable, 7(d)(ii) are not invoked, either party hereto may institute, in addition to any other rights or remedies, a legal action in the applicable judicial system.

(h) Administration of Agreement and Resolution of Disputes. All decisions by the City staff concerning the interpretation and administration of this Agreement and the Project which is the subject hereof are appealable to the City Council and all like decisions by the City Council shall be final but subject to the arbitration provisions set forth in Paragraph 7(f) hereof and shall be subject to judicial review pursuant to Code of Civil Procedure Section 1085.

(i) Term. The term of this Agreement ("Term') shall commence on the Effective Date and shall extend twenty (20) years from the date all conditions have been satisfied, but in no event shall the Term expire later than January 1, 2021, unless said Term is otherwise terminated, modified or extended as permitted or required by this Agreement or by mutual consent of the parties hereto. Following the expiration of the Term, this Agreement shall terminate and be of no further force and effect; provided, however, that such termination shall not affect any right or duty arising from entitlement or approvals, including the Project Approvals on the Project Site or any other project approvals approved subsequent to the Effective Date of this Agreement. The Term of this Agreement shall automatically be extended for the period of time of any actual delay resulting from any enactments or actions described in Paragraphs 3(c) or 6 or delays described in Paragraph 7(e). Moreover, if compliance with this Agreement is submitted to the Planning Commission and such compliance is ultimately confirmed, then the term of the Agreement shall be extended for the period of time which transpired from the time the Community Development Director made his initial determination to the date on which compliance was finally confirmed.

(j) Developer Protest Provision. If, upon interpretation of any matter related to the development of the Project or Property, which matter is in the nature of a condition upon

development imposed by the City or the withholding of a permit or other permission or entitlement, there is a disagreement between the City and Developer, such disagreement may be resolved upon the request of the Developer by the provisions hereinafter set forth in this subsection (j). For purposes of this Paragraph 7(j), matters related to the development of the Project or the Property in the nature of a condition upon development imposed by the City shall be deemed to include, without limitation, all requirements imposed by the City with respect to (i) payment of Processing Fees and exactions (as hereinabove defined in Paragraph 1(n)), (ii) requirements for land reservations, (iii) requirements for land dedications, (iv) construction of public facilities, infrastructure or "off site" improvements, (v) acceptance of public facilities, infrastructure or "off site" improvements, and (vi) the granting of easements for public or utility purposes. If the protest provisions of this Paragraph 7(j) are elected by Developer, then the disagreement shall not constitute grounds for the City to deny or withhold the permit or entitlement sought by Developer provided that the procedures set forth in this Paragraph 7(j) are adhered to. In the event that the Developer elects the procedures of this Paragraph 7(j), the entitlement or permit shall be granted by City immediately upon full compliance by Developer with the provisions of this Paragraph 7(j), subsection (ii), notwithstanding the dispute:

(i) The Developer shall promptly deliver, but in no event later than ninety (90) days after it discovers the existence of such a disagreement, written notice to the City Clerk and the City Attorney (a) of the factual basis for the dispute, (b) the identification of the provisions of this Agreement which Developer asserts should control resolution of the dispute, if any, (c) the provisions of law which the Developer asserts are dispositive, and (d) the actions which Developer demands in order for City to avoid an action pursuant to the provisions contained in this Agreement.

(ii) Pending and subject to final decision in any action taken pursuant to the provisions of this Agreement, including arbitration, Developer shall tender to the City Clerk within ten (10) business days after delivery of the notice referred to in subsection (i) of this Paragraph 7(j) (a) the full amount of the Processing Fee or exaction in dispute, (b) a deed for the land demanded by the City to be reserved or dedicated, (c) a bond for the full amount of the construction of the disputed public facility, infrastructure or "off site" improvement, (d) the deed

for the granting of disputed easements for public or utility purposes, which funds and instruments shall be held by an independent third party corporate escrow agent (the "Escrow Agent"), at the sole cost of Developer, as may be mutually acceptable to the City and the Developer, until a decision is reached by the forum selected to resolve the dispute pursuant to the terms of this Agreement;

(iii) Within ten (10) business days after receipt of the funds and/or the instruments, as the case may be, required pursuant to subsection (ii) of this Paragraph 7(j), the City shall give Developer written notice of its approval or denial of the actions requested by Developer pursuant to subsection (i)(d) of the first paragraph of this Paragraph 7(j);

(iv) If within sixty (60) days after the tender required pursuant to subsection (ii) of this Paragraph 7(j), the Developer has not filed an action or proceeding in order to seek resolution of the matter in dispute, the position of the City with respect to the dispute shall be deemed and shall be confirmed and the Developer shall issue instructions to the Escrow Agent to forward to the City those documents and/or sums deposited with the Escrow Agent pursuant to subsection (ii) of this Paragraph 7(j);

(v) If the position asserted by the Developer is upheld in the action or proceeding taken by Developer pursuant to subsection (iv) of this Paragraph 7(j), the instruments or sums or both as tendered to the Escrow Agent shall be returned to the Developer within ten (10) business days after the date such decision becomes final.

(vi) Any sums deposited with an Escrow Agent by Developer pursuant to this Paragraph 7(j) shall be deposited in interest bearing accounts at federally insured banking institutions, and the prevailing party in the dispute shall be entitled to the interest earned on those sums for the period from the date of deposit with the Escrow Agent until the date upon which sums are paid to the party prevailing in the dispute.

8. **Miscellaneous Provisions.**

(a) Amendments. This Agreement may be amended from time to time by mutual consent, in writing, of the parties to this Agreement in accordance with Section 65868. Any amendment to this Agreement which relates to the Term, permitted uses, density or intensity of use, height, or size of buildings,

45

provisions for reservation and dedication of land; conditions, restrictions, and requirements relating to subsequent Discretionary Action; monetary contributions by Developer; or any conditions or covenants relating to the use of the Property shall require notice and public hearing before the parties may execute an amendment thereto.

(b) Assignment. All or part of the Property, as well as the rights and obligations of Developer under this Agreement, may be transferred or assigned in whole or in part by Developer; provided, however, that the Developer shall not transfer or assign any of the Property or any rights hereunder, without the City's prior written consent, to any third party against whom the City has litigated or by whom the City has been sued. Assumption, as permitted hereby, of any of the Developer's obligations under this Agreement by any such assignee shall relieve Developer from such obligation only if the assignee assumes, in writing, each obligations of the Developer pursuant to this Agreement and all Project Approvals.

The foregoing notwithstanding, however, if Developer assigns or transfers any of its Property, rights, and or obligations as permitted by this Agreement, the obligations of Developer which have been so assigned or transferred by Developer shall be binding and apply with full force and effect on the assignee or transferee.

If any rights and/or obligations of Developer under this Agreement are transferred or assigned as permitted by this Paragraph, and expressly assumed by the transferee or assignee as provided in this Paragraph 8(b), such transferred or assigned rights and/or obligations shall be severable from the rights and/or obligations remaining with Developer, and any default or breach with respect to the transferred or assigned rights and/or obligations shall not constitute a default or breach with respect to the rights and/or obligations remaining with Developer pursuant to this the Agreement or the Project Approvals, all of which shall remain in full force and effect as to both Developer and the City.

The foregoing notwithstanding, Developer may transfer this Agreement and the Project Approvals, without the consent of the City, to any entity in which Developer is a general partner, officer, or otherwise controls the transferee.

(c) Public Facilities and Infrastructure Financing. The City acknowledges that Developer may seek to utilize the establishment of Mello-Roos Community Facilities Districts pursuant to Section 53311, *et seq*., covering all or a portion of the Property, to enable the issuance of bonds for

96 535033

improvements contemplated under this Agreement. The City shall cooperate with Developer in establishing such districts as follows:

(1) for all non-residential areas of the Project,

(2) for residential areas of the Project, <u>only</u> if provision is made to pay off bonds issued by such district which encumber any residence, prior to occupancy of that residence, unless the City Council specifically approves a district absent the forgoing condition, and

(3) City will not object to agreements made by and between Developer and public agencies other than City for establishment of such districts.

Unless otherwise provided in Section 4(c) of this Agreement, in the event of a district established pursuant to subsections (1) or (2) of this Section 8(c), the City shall offset against any fees due from Developer an amount equal to the value of the land dedicated to the City and infrastructure installed by Developer, to the extent such dedication and/or installation would otherwise have been paid for by City from such fees. City shall further reimburse Developer or cooperate in reimbursement from third parties, for any size or capacity of infrastructure installed by Developer which exceeds that otherwise required to satisfy the impacts of the Project; provided that, nothing contained in the foregoing shall be construed to required City to reimburse Developer for requirements set forth in Section 4(c) of this Agreement which would not otherwise be reimbursed by a Bridge Thoroughfare or other similar district.

(d) <u>Covenants</u>. The provisions of this Agreement shall constitute covenants running with the Property for the benefit thereof, and the burdens and benefits created hereby shall bind and inure to the benefit of all assigns, transferees, and successors to the parties hereto.

(e) <u>Cooperation and Implementation</u>.

(i) <u>Processing</u>. Upon satisfactory completion by Developer of all required preliminary actions and payment of appropriate processing fees, if any, the City shall commence and diligently process all required steps necessary for the implementation of this Agreement and development of the Project by Developer on the Property, including, without limitation the processing and checking of any and all Project approvals, agreements, covenants, applications and

related matters required by this Agreement, maps, building plans and specifications and any other plans necessary for the development of the Property, and the issuance of all necessary building permits, occupancy certificates or other required permits for the construction, use and occupancy of the Project Site. 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 which are required by the Applicable Rules. If the development of any phase of the Project requires off-site improvements of any kind, the City shall cooperate with Developer in its efforts to provide or to cause others to provide the timely installation of such improvements, so that Developer can proceed with the development of such phase without unreasonable delay.

(ii) Other Governmental Permits. 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 provision of services to, the Project. The City shall cooperate with Developer in its endeavors to obtain such permits and approvals and shall, from time to time at the request of Developer, attempt with due diligence and in good faith to enter into binding agreements with any such entity, to ensure the availability of such permits and approvals, or services, provided such agreements are reasonable and not detrimental to the City. These agreements may include, but are not limited to, joint powers agreements under the provisions of the Joint Exercise of Powers Act (Section 6500, et seq.) or the provisions of other laws to create legally binding, enforceable agreements between such parties to the extent allowed by law. Developer shall be a party to any such agreement, or a third party beneficiary thereof, intended to enforce for its benefit on behalf of the City, or in its own name, the rights of the City or Developer thereunder or the duties and obligations of the parties thereto. Developer shall reimburse the City for all costs and expenses incurred in connection with seeking and entering into any such agreement, provided that Developer has requested it. Developer shall defend the City in any challenge by any person to any such agreement with counsel of the City's choice, and shall reimburse the City for any costs and expenses incurred by the City in enforcing any such agreement including, without limitation, all attorneys fees and costs. Any fees, assessments, or other amounts payable

by the City thereunder shall be borne by Developer, except where Developer has notified the City in writing, prior to the City entering into such agreement, that it does not desire for the City to execute such agreement. This Paragraph 8(e) shall not revise, amend, or modify in any way Paragraph 3 hereof.

(f) <u>Applicable Law</u>. This Agreement shall be construed and enforced in accordance with the laws of the State of California and the venue for any legal actions brought by any party with respect to this Agreement shall be the County of Los Angeles, State of California for state actions and the Central District of California for any federal actions.

(g) <u>Cooperation in the Event of Legal Challenge</u>. In the Event of any action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the parties hereby agree to affirmatively cooperate in defending said action, each party bearing its own attorneys' fees and costs.

(h) <u>Relationship of the Parties</u>. It is understood and agreed by the parties hereto that the contractual relationship created between the parties hereunder is that Developer is an independent contractor and not an agent of the City. Further, the City and Developer hereby renounce the existence of any form of joint venture or partnership between them and agree that nothing herein or in any document executed in connection herewith shall be construed to make the City and Developer joint venturers or partners.

(i) <u>Attorneys' Fees</u>. If either party hereto commences any arbitration, legal action or proceeding for the interpretation, enforcement, termination, cancellation or rescission of this Agreement, or for specific performance for the breach hereof, or for any other claim, the prevailing party shall be entitled to its reasonable attorneys' fees and costs.

(j) <u>Constructive Notice and Acceptance</u>. Every person who now or hereafter owns or acquires any right, or 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.

(k) <u>Notices</u>. Any notice or communication required hereunder between the City and Developer must be in writing, and may be given either personally or by registered or certified mail, return receipt requested.

If notice is given by registered or certified mail, the same shall be deemed to have been given and received on the date shown on the return receipt signed by the party to whom such notice has been sent as required by this Paragraph.

If notice is personally delivered, it shall be deemed to have been given and received when delivered to the party to whom it is addressed.

Any party hereto may at any time, by giving ten (10) days' written notice to the other party hereto, designate any address other than the one shown below and in substitution of the address shown below, or any additional address, to which such notice or communication shall be given.

Except as permitted hereinabove, such notices or communication shall be given to the parties at their addresses set forth below:

If to the City:

City of Santa Clarita
23920 Valencia Blvd, Ste. 300
Santa Clarita, CA 91355
Attn: City Manager

With copy to:

Carl K. Newton
City Attorney
Burke, Williams & Sorensen
611 W. 6th St., Ste. 2500
Los Angeles, CA 90017

If to the Developer:

Whittaker Porta Bella,
Development, Inc.
1955 N. Surveyor Avenue
Simi Valley, CA 93063
Attn: Richard Levit

With copies to:

Northholme Partners
330 Washington Blvd., 4th Flr.
Marina del Rey, CA 90292
Sam Veltri

Banyan Management Corp.
150 S. Wacker Dr., Ste. 2900
Chicago, IL 60606
Attn: Charles V. George

James D. Richman, Esq.
Pregerson, Richman & Luna
12424 Wilshire Blvd., Ste. 900
Los Angeles, CA 90025

(l) **Recordation**. As provided in Section 65868.5, the City Clerk of the City of Santa Clarita shall record a copy of this Agreement with the Recorder of the County of Los Angeles within ten (10) days following its execution by all parties.

(m) **Determination of Invalidity of All or Part of Agreement; Events of Termination**. If any provision of this Agreement should be determined by a court to be invalid or unenforceable, or if

any provision of this Agreement is superseded or rendered unenforceable according to any law which becomes effective after the Effective Date of this Agreement, Developer shall have the right either (i) to have the remaining provisions of this Agreement which have not been invalidated thereby, remain in full force and effect and continue to be binding on both parties or (ii) to declare that this Agreement is null and void as to all obligations then remaining unperformed and this Agreement shall be terminated.

The foregoing notwithstanding, this Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

(i) Expiration of the Term;

(ii) Completion of the Project in accordance with the terms of this Agreement and the Project Approvals including issuance of all required occupancy permits; or

(iii) Pursuant to any specific provision of this Agreement.

Termination of this Agreement shall not constitute termination of any other land use entitlement approved for the Property. Upon the termination of this Agreement, no party shall have any, further right or obligation hereunder except with respect to (i) any obligation to have been performed prior to such termination, (ii) any default in the performance of the provisions of this Agreement which has occurred prior to such termination, or (iii) any obligations which are specifically set forth as surviving this Agreement.

Notwithstanding any other provisions of this Agreement, this Agreement shall terminate with respect to any lot and such lot shall be released and no longer be subject to this Agreement without the execution of recordation of any further document when a Certificate of Occupancy has been issued for a building on the lot.

(n) **Time of the Essence**. Time is of the essence of each provision of this Agreement of which time is an element.

(o) **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 which refers expressly to this Paragraph 8(o). No waiver of any right or remedy in respect of any occurrence or event shall be deemed a waiver of any right or remedy in respect of any subsequent like or other occurrence or event.

(p) <u>Entire Agreement</u>. This Agreement sets forth and contains the entire understanding and agreement of the parties, except for the Project Approvals which are incorporated herein by this reference as though fully set forth, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein and no testimony or evidence of any such representations, understandings, or covenants shall be admissible in any proceedings of any kind or nature to interpret or determine the provisions or conditions of this Agreement.

(q) <u>No Third Party Beneficiaries</u>. The only parties to this Agreement are the City and Developer and their successors-in-interest. There are no third party beneficiaries and this Agreement is not intended, and shall not be construed to benefit or be enforceable by any person other than the parties hereto whatsoever.

(r) <u>Successors and Assignees</u>. Except as otherwise hereinabove provided, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties, any permitted subsequent owner of all or any portion of the Property and their respective permitted successors and assignees.

(s) <u>Certificate of Compliance</u>. At any time during the Term of this Agreement, in order to confirm that to the best of such party's knowledge, no defaults exist under this Agreement or if defaults do exist, to describe the nature of such defaults, each party hereby agrees to provide a certificate to a lender or other party so stating, within fifteen (15) days of the request therefor. The failure of any party to provide the requested certificate within such fifteen (15) day period shall constitute a confirmation that to the best of such party's knowledge, no defaults exist under this Agreement.

(t) <u>Legal Advice; Construction</u>. Each party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. 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 headings and table of contents used in this Agreement are for the convenience of reference only and shall not be used in construing this Agreement.

(u) <u>Ability to Encumber Property</u>. The parties hereto agree that this Agreement shall not prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. The City acknowledges that the lenders providing such financing may require certain

Agreement interpretations and modifications and agrees upon request, from time to time, to meet with Developer and representatives of such lenders to negotiate in good faith any such request for such interpretation or modification. City will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of the Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

(i) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage or deed of trust on the Property made in good faith and for value.

(ii) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from City of any default by Developer in the performance of Developer's obligations under this Agreement.

(iii) If City timely receives a request from a Mortgagee requesting a copy of any notice of default given to Developer under the terms of thus Agreement, City shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to the Developer. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement.

(iv) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms, obligations and benefits of this Agreement, provided, however, in no event shall such Mortgagee be liable for any defaults or monetary obligations of Developer arising prior to acquisition of title to the Property, or a portion thereof, by such Mortgagee and provided further that, in no event, shall any such Mortgagee or its successors or assigns be entitled to a building permit or occupancy certificate until all fees due under this Agreement have been paid to the City.

(v) **<u>Amendments to Specific Plan</u>**. Any amendment or modification of the Specific Plan which is permitted under the terms of this Agreement, shall constitute a part of the Specific Plan, as defined in this Agreement, from and after the date such amendment or modification has been approved by all applicable government action.

(w) <u>Counterparts</u>. This Agreement is executed in five (5) duplicate originals, each of which is deemed to be an original.

(x) <u>Covenant of Good Faith Performance</u>. Whenever any party to this Agreement is required to use its "good faith efforts", or a reasonably equivalent standard is required or implied by law, to accomplish an objective of this Agreement, such efforts shall be required to be pursued in good faith, with reasonable diligence, and with an intent to accomplish the objective set forth in as timely a manner as is reasonably practicable.

LIST OF EXHIBITS

Exhibit "A"	Property Description
Exhibit "B	School Mitigation Agreement(s) by and between Developer and applicable school districts to be attached when executed
Exhibit "C"	Description of Commuter Rail Station Site
Exhibit "D"	Design Standards for Community Trail
Exhibit "E"	Standards and Specifications for Condition of Approval DS-30, Springbrook
Exhibit "F"	Specifications for Condition of Approval DS-28, Oak Orchard Drainage
Exhibit "G"	Standards and Specifications for Condition of Approval DS-23, Location for 400 foot buffer for Circle J Estates
Exhibit "H"	Design Standards and Specifications for 400 foot Buffer for Circle J Estates
Exhibit "I"	Standards and Specifications for Condition of Approval DS-25, Karie Lane
Exhibit "J"	Indemnity Agreement
Exhibit "K	Agreement Regarding Dedication of Commuter Rail Station Site
Exhibit "L"	Civic Center Site Description
Exhibit "M"	Civic Center Master Plan
Exhibit "N"	Industrial Lot

IN WITNESS WHEREOF, the parties hereto have executed this Agreement consisting of forty-eight (48) pages, excluding the Table of

Contents, Exhibits "A" through "N" and acknowledgements, as of the date first written above.

CITY OF SANTA CLARITA, a municipal corporation of the State of California

By: ______________________
Carl Boyer, Mayor

ATTEST:

Approved as to Form:

____
For City Attorney

____
Donna M. Grindey, City Clerk
3-28-96

WHITTAKER PORTA BELLA DEVELOPMENT, INC., a ~~California~~ Delaware corporation
California

By: ______________________
[Print Name] RICHARD LEVIN
[Print Title] VP

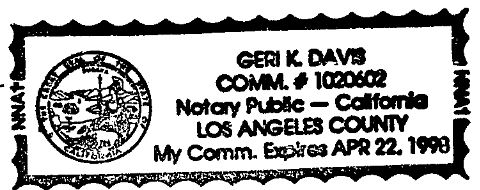
By: ______________________
[Print Name] Lynne M. O. Brickner
[Print Title] Vice President and Secretary

[ACKNOWLEDGEMENTS ATTACHED]

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On 3-28, 1996, before me, Geri K Davis, a Notary Publ/ic in and for said State, personally appeared CARL BOYER, ☒ personally known to me - OR -
☐ proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledge to me that he executed the same in his authorized capacity(ies), and by his signature on the instrument the person or entity upon behalf of which the person acted(s), executed the instrument.

WITNESS my hand and official seal.



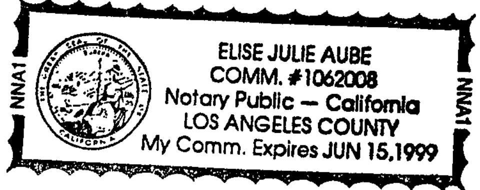
Geri K Davis
[SIGNATURE OF THE NOTARY]

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On March 26, 1996, before me, Elise Julie Aube, a Notary Public in and for said State, personally appeared Richard B. Levin ☒ personally known to me - OR -
☐ proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledge to me that he executed the same in his authorized capacity(ies), and by his signature on the instrument the person or entity upon behalf of which the person acted(s), executed the instrument.

WITNESS my hand and official seal.

Elise Julie Aubé
[SIGNATURE OF THE NOTARY]
Elise Julie Aube



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STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On March 26, 1996, before me, Elise Julie Aube, a Notary Public in and for said State, personally appeared Lynne M. O. Brickner, ☒ personally known to me - **OR** - ☐ proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledge to me that he executed the same in his authorized capacity(ies), and by his signature on the instrument the person or entity upon behalf of which the person acted(s), executed the instrument.

WITNESS my hand and official seal.

Elise Julie Aube

[SIGNATURE OF THE NOTARY]

Elise Julie Aube

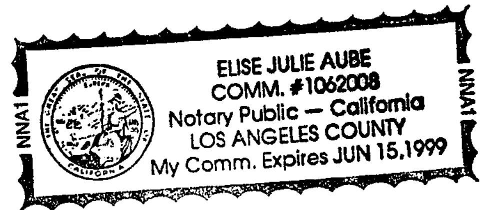

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EXHIBIT A

PARCEL 1:

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER LINE OF THAT PORTION OF THE STATE HIGHWAY, KNOWN AS THE MINT CANYON ROAD, SAID POINT BEING DESIGNATED POINT "C", IN DEED FROM THE NEWHALL LAND AND FARMING COMPANY, TO LOS ANGELES COUNTY, RECORDED IN BOOK 6322 PAGE 19, OF DEEDS; IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID CENTER LINE SOUTH 83 DEGREES 11 MINUTES WEST 0.86 OF A FOOT; THENCE SOUTH 6 DEGREES 49 MINUTES EAST, 25 FEET TO THE TRUE POINT OF BEGINNING, SAID TRUE POINT OF BEGINNING BEING THE INTERSECTION OF THE SOUTHERLY LINE OF SAID STATE HIGHWAY, AND THE NORTHERLY LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY, AS PER DEED RECORDED IN BOOK 1235 PAGE 2 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHWESTERLY AND NORTHEASTERLY LINE OF SAID RAILROAD RIGHT OF WAY, IN A GENERAL WESTERLY DIRECTION TO A RADIAL LINE OF SAID NORTHEASTERLY LINE WHICH PASSES THROUGH THE SOUTHEASTERLY END OF A SINGLE BENT CATTLE PASS 15 FEET LONG NO. 448-E, AS RECITED IN DEED RECORDED IN BOOK 4016 PAGE 277, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID RADIAL LINE NORTH 19 DEGREES 10 MINUTES 08 SECONDS EAST 20 FEET; THENCE WESTERLY ALONG A CURVE CONCAVE TO THE NORTH CONCENTRIC WITH THE AFOREMENTIONED NORTHEASTERLY LINE OF RIGHT OF WAY 214.64 FEET TO THE END OF SAID CURVE; THENCE CONTINUING ALONG A LINE 20 FEET NORTHEASTERLY FROM AND PARALLEL WITH SAID NORTHEASTERLY LINE OF RIGHT OF WAY, NORTH 61 DEGREES 06 MINUTES 40 SECONDS WEST 191.02 FEET; THENCE NORTH 11 DEGREES 46 MINUTES 40 SECONDS WEST 96.94 FEET; THENCE NORTH 74 DEGREES 53 MINUTES 10 SECONDS WEST 112.96 FEET; THENCE SOUTH 67 DEGREES 53 MINUTES 50 SECONDS WEST, 65.96 FEET TO A LINE 20 FEET NORTHEASTERLY FROM AND PARALLEL WITH THE AFOREMENTIONED NORTHEASTERLY LINE OF RIGHT OF WAY; THENCE WESTERLY ALONG SAID PARALLEL LINE DISTANT 854.31 FEET TO THE SOUTHWESTERLY PROLONGATION OF A RADIAL LINE OF THE CURVE IN THE SOUTHWESTERLY LINE OF THE AFOREMENTIONED STATE HIGHWAY (SAID CURVE BEING CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 2525 FEET, AND SAID RADIAL LINE HAVING A BEARING OF SOUTH 37 DEGREES 24 MINUTES 32 SECONDS WEST); THENCE ALONG SAID PROLONGATION NORTH 37 DEGREES 24 MINUTES 32 SECONDS EAST, 610.15 FEET TO SAID SOUTHWESTERLY LINE OF SAID STATE HIGHWAY; THENCE EASTERLY ALONG THE LAST DESCRIBED CURVE THROUGH AN ANGLE OF 44 DEGREES 13 MINUTES 32 SECONDS A DISTANCE OF 1949 FEET TO THE EASTERLY END OF SAID CURVE; THENCE ALONG THE SOUTHERLY LINE OF SAID STATE HIGHWAY NORTH 83 DEGREES 11 MINUTES EAST, 487.06 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THOSE PORTIONS CONVEYED TO LOS ANGELES COUNTY FOR ROADS.

PARCEL 2:

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 62, OF ST. JOHN'S SUBDIVISION, AS PER MAP RECORDED IN BOOK 196 PAGE 304 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE EASTERLY BOUNDARY LINE OF RANCHO SAN FRANCISCO NORTH 1 DEGREES 31 MINUTES 25 SECONDS EAST, 276.88 FEET TO A POINT DESIGNATED STATION NO. 6 OF RANCHO SAN FRANCISCO; THENCE NORTH 89 DEGREES 59 MINUTES 00 SECONDS WEST 4,633.40 FEET; THENCE NORTH 25 DEGREES 23 MINUTES 45 SECONDS EAST 433.40 FEET; THENCE NORTH 34 DEGREES 56 MINUTES 05 SECONDS WEST,

EXHIBIT A

703.93 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 34 DEGREES 56 MINUTES 05 SECONDS EAST 703.93 FEET; THENCE SOUTH 25 DEGREES 23 MINUTES 45 SECONDS WEST 433.40 FEET; THENCE SOUTH 89 DEGREES 59 MINUTES 00 SECONDS EAST 308.40 FEET; THENCE NORTH 25 DEGREES 21 MINUTES 00 SECONDS EAST 570 FEET; THENCE NORTH 34 DEGREES 58 MINUTES 50 SECONDS WEST 703.93 FEET; THENCE NORTH 35 DEGREES 40 MINUTES 25 SECONDS WEST, 1,018 FEET MORE OR LESS, TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF THE SOUTHERN PACIFIC RAILROAD; THENCE SOUTHWESTERLY ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF THE SOUTHERN PACIFIC RAILROAD TO A POINT WHICH BEARS NORTH 35 DEGREES 37 MINUTES 40 SECONDS WEST, FROM THE TRUE POINT OF BEGINNING; THENCE SOUTH 35 DEGREES 37 MINUTES 40 SECONDS EAST, 878.59 FEET MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES LYING UNDER AND BENEATH SAID LAND, TOGETHER WITH THE RIGHT TO ENTER UPON SAID REAL PROPERTY TO EXPLORE, DRILL FOR, AND EXTRACT SAME, INCLUDING THE RIGHT TO DRILL FOR, AND USE WATER NECESSARY IN CONNECTION WITH SAID OPERATIONS, AND RIGHT OF INGRESS AND EGRESS TO, OVER, ACROSS, AND UPON SAID REAL PROPERTY, AND THE RIGHT TO ERECT, AND USE SUCH TANKS, MACHINERY, PIPE LINES AND BUILDINGS, AS MAY BE NECESSARY IN CONNECTION WITH SAID OPERATIONS, AS RESERVED IN THE DEED FROM JULIUS R. SCHWARTZ, AND WIFE, RECORDED JULY 23, 1951 IN BOOK 36817 PAGE 287, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3:

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST WESTERLY CORNER OF THE PARCEL OF LAND DESCRIBED IN THE DEED TO LOS ANGELES POWDER COMPANY, RECORDED IN BOOK 43 PAGE 73, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 86 DEGREES 12 MINUTES 40 SECONDS WEST, 2,925.28 FEET TO THE EASTERLY LINE OF TRACT NO. 1801, AS PER MAP RECORDED IN BOOK 21 PAGES 158 AND 159 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTHERLY ALONG SAID EASTERLY LINE TO THE NORTHERLY LINE OF LOT 60, OF THE ST. JOHN SUBDIVISION, AS PER MAP RECORDED IN BOOK 196 PAGE 304, OF MISCELLANOEUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE EASTERLY ALONG SAID NORTHERLY LINE TO THE SOUTHWESTERLY LINE OF SAID PARCEL OF LAND, DESCRIBED IN THE DEED RECORDED IN BOOK 43 PAGE 73, OFFICIAL RECORDS; THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 60 DEGREES 06 MINUTES WEST, TO AN ANGLE POINT THEREIN; THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 41 DEGREES 52 MINUTES WEST 234.34 FEET, AND NORTH 19 DEGREES 19 MINUTES 40 SECONDS WEST, 343.03 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDIED 3 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 852, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT A

PARCEL 4:

PART OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND PART OF ST. JOHN'S SUBDIVISION OF THE RANCHO SAN FRANCISCO, AS PER MAP RECORDED IN BOOK 196 PAGE 306, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT DISTANT DISTANT NORTH 9 DEGREES 11 MINUTES WEST, 408.50 FEET AND NORTH 86 DEGREES 12 MINUTES 40 SECONDS EAST, 2,925.58 FEET FROM THE SOUTHEAST CORNER OF BLOCK 15 OF TRACT NO. 1801, AS PER MAP RECORDED IN BOOK 21 PAGES 158 AND 159 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 19 DEGREES 19 MINUTES 40 SECONDS EAST, 343.03 FEET TO A POINT ON THE NORTHERLY LINE OF A ROAD; THENCE ALONG SAID NORTHERLY LINE SOUTH 41 DEGREES 52 MINUTES EAST, 234.34 FEET; THENCE ALONG SAID NORTHERLY LINE SOUTH 60 DEGREES 06 MINUTES 06 SECONDS EAST 727.59 FEET; THENCE ALONG SAID NORTHERLY LINE 69 DEGREES 29 MINUTES EAST 1,653.48 FEET; THENCE ALONG SAID NORTHERLY LINE NORTH 86 DEGREES 51 MINUTES EAST 153.33 FEET; THENCE NORTH 25 DEGREES 21 MINUTES EAST 1,288.62 FEET; THENCE NORTH 34 DEGREES 58 MINUTES 50 SECONDS WEST 703.93 FEET; THENCE NORTH 35 DEGREES 40 MINUTES 25 SECONDS WEST, 894.02 FEET, MORE OR LESS, TO A POINT ON THE SOUTHERLY LINE OF THE RIGHT OF WAY OF THE SOUTHERN PACIFIC RAILROAD, THENCE FOLLOWING THE SOUTHERLY LINE OF SAID RIGHT OF WAY TO A POINT NORTHWESTERLY 476.48 FEET FROM THE POINT OF INTERSECTION OF THE SOUTHWESTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY, AND A RADIAL LINE THROUGH THE SOUTHEASTERLY END OF A SINGLE BENT CATTLE PASS 15 FEET LONG, AND DESCRIBED AS NO. 448-E, IN THE DEED FROM THE NEWHALL LAND AND FARMING COMPANY, A CORPORATION, TO R. A. BAKER, RECORDED IN BOOK 4055 PAGE 131, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BENEATH THE SAID SOUTHERLY PACIFIC RAILROAD; THENCE FROM SAID POINT, SOUTH 51 DEGREES 52 MINUTES WEST, 839.90 FEET TO THE SOUTHEASTERLY LINE OF THAT CERTAIN RESERVOIR WHICH WAS RESERVED, AND EXCEPTED IN DEED RECORDED IN BOOK 4055 PAGE 131, OFFICIAL RECORDS ABOVE; THENCE SOUTH 8 DEGREES 29 MINUTES 50 SECONDS WEST 173.49 FEET, SOUTH 80 DEGREES 35 MINUTES 10 SECONDS WEST 91.10 FEET, SOUTH 57 DEGREES 54 MINUTES 10 SECONDS WEST 232.35 FEET, ALONG SAID SOUTHEASTERLY BOUNDARY LINE OF AFORESAID RESERVOIR; THENCE SOUTH 8 DEGREES 00 MINUTES 10 SECONDS WEST, TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF LOT 62, OF ST. JOHN SUBDIVISION, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 196 PAGE 304 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF SAID LOT 62, WITH THE SOUTHERLY LINE OF THE LAND DESCRIBED IN DEED TO THE LOS ANGELES POWDER COMPANY, RECORDED IN BOOK 43 PAGE 73, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTHERLY ALONG SAID WEST LINE TO THE NORTH LINE OF TRACT NO. 1079, AS PER MAP RECORDED IN BOOK 18 PAGE 155 OF MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE EAST ALONG THE NORTH LINE OF SAID TRACT NO. 1079, TO THE EAST LINE OF THE RANCHO SAN FRANCISCO; THENCE NORTHERLY ALONG SAID EAST LINE TO THE NORTH LINE OF SAID LOT 62; THENCE WEST ALONG THE LAST MENTIONED NORTH LINE TO THE SOUTHEAST LINE OF THE LAND DESCRIBED IN SAID DEED, RECORDED IN BOOK 43 PAGE 73,

EXHIBIT A

OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTHWESTERLY AND WESTERLY ALONG THE SOUTHEASTERLY AND SOUTHERLY BOUNDARY OF THE LAND DESCRIBED IN SAID DEED TO THE POINT OF BEGINNING.

EXCEPT THE WEST 2640 FEET OF THE SOUTH 3,300 FEET THEREOF.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED AS BEGINNING AT A POINT ON THE NORTH LINE OF LOT "A", OF TRACT NO. 1079, AS PER MAP RECORDED IN BOOK 18 PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DISTANT EASTERLY THEREON 2,640 FEET FROM ITS INTERSECTION WITH THE WEST LINE OF SAID LOT 62; THENCE NORTHERLY AND PARALLEL WITH SAID WEST LINE, 2,617 FEET MORE OR LESS, TO THE NORTHERLY LINE OF THE SOUTH 160 ACRES OF THAT PORTION OF SAID LOT 62, WHICH IS BOUNDED ON THE SOUTH BY SAID NORTH LINE OF SAID LOT "A", AND ON THE WEST BY A LINE PARALLEL WITH THE WEST LINE OF SAID LOT 62, WHICH PASSES THROUGH A POINT IN SAID NORTH LINE OF SAID LOT "A", DISTANT EASTERLY ALONG SAID NORTH LINE 2,640 FEET FROM SAID WEST LINE OF LOT 62; THENCE EASTERLY ALONG THE NORTH LINE OF SAID SOUTH 160 ACRES, 2,706 FEET MORE OR LESS, TO THE EAST LINE OF SAID LOT 62; THENCE SOUTHERLY ALONG THE EAST LINE, 2,618 FEET MORE OR LESS, TO THE NORTH LINE OF SAID LOT "A"; THENCE WEST ALONG SAID NORTH LINE 2,640 FEET MORE OR LESS, TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THAT PORTION INCLUDED WITHIN THE STRIP OF LAND 100 FEET WIDE, DESCRIBED IN PARCEL 1 OF THE FINAL DECREE OF CONDEMNATION ENTERED IN CASE NO. 450186, SUPERIOR COURT OF SAID COUNTY, A COPY OF SAID DECREE BEING RECORDED FEBRUARY 21, 1941 IN BOOK 18154 PAGE 157, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPTING THEREFROM THE NORTH 641.74 FEET OF THE EAST 641.74 FEET OF SAID LOT 62, SAID DISTANCES BEING MEASURED ALONG THE EAST AND NORTH LINES RESPECTIVELY OF SAID LOT.

ALSO EXCEPT THEREFROM AN UNDIVIDED 3 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 852, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 6:

THE WEST 2,640 FEET OF THE SOUTH 3,300 FEET OF LOT 62, OF ST. JOHN'S SUBDIVISION OF RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 196 PAGE 304, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THAT PORTION LYING WITHIN LOT 48 OF TRACT NO. 34144.

ALSO EXCEPT THEREFROM AN UNDIVIDED 3 PER CENT OF ALL THE OIL, GAS, OTHER

EXHIBIT A

HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 852, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 7:

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE EASTERLY LINE OF TRACT NO. 1801, AS PER MAP RECORDED IN BOOK 21 PAGES 158 AND 159 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WITH THE NORTHERLY LINE OF LOT 60, OF THE ST. JOHN SUBDIVISION, AS PER MAP RECORDED IN BOOK 196 PAGE 304 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE EASTERLY ALONG SAID NORTHERLY LINE TO THE SOUTHWESTERLY LINE OF THE PARCEL OF LAND DESCRIBED IN THE DEED TO THE LOS ANGELES POWDER COMPANY, A CORPORATION, RECORDED IN BOOK 43 PAGE 73, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID SOUTHWESTERLY LINE SOUTH 60 DEGREES 06 MINUTES EAST, TO AN ANGLE POINT THEREIN; THENCE ALONG SAID SOUTHWESTERLY LINE SOUTH 69 DEGREES 29 MINUTES EAST, TO THE EASTERLY LINE OF SAID LOT 60, OF THE ST. JOHN SUBDIVISION; THENCE SOUTHERLY ALONG SAID LAST MENTIONED EASTERLY LINE TO THE SOUTHERLY LINE OF SAID LOT 60; THENCE WESTERLY ALONG SOUTHERLY LINE TO SAID EASTERLY LINE OF TRACT NO. 1801; THENCE IN A GENERAL NORTHWESTERLY DIRECTION FOLLOWING THE BOUNDARY LINES OF SAID TRACT NO. 1801, TO THE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDED 3 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 852, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS.

PARCEL 8:

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BOUNDED AS FOLLOWS:

ON THE SOUTH BY THE NORTH LINE OF LOT 62, OF ST. JOHN SUBDIVISION, AS PER MAP RECORDED IN BOOK 196 PAGES 304 THROUGH 309 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; ON THE NORTHEAST BY THE SOUTHEAST PROLONGATION OF THAT CERTAIN COURSE HAVING A BEARING OF NORTH 34 DEGREES 58 MINUTES 50 SECONDS WEST, AND A LENGTH OF 703.93 FEET AS DESCRIBED IN DEED TO BERMITE POWDER COMPANY, RECORDED JULY 23, 1951 AS INSTRUMENT NO. 1546, IN BOOK

EXHIBIT A

36817 PAGE 285, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ON THE NORTHWEST BY THE SOUTHEAST LINE OF THE BERMITE POWDER COMPANY, AS SAID LINE NOW EXISTS BEING A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF SAID LOT 62, WITH THE SOUTHEAST LINE OF LAND DESCRIBED IN BOOK 43 PAGE 75, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID SOUTHEAST LINE NORTH 25 DEGREES 23 MINUTES 45 SECONDS EAST 263.02 FEET; THENCE ALONG THE SOUTH LINE OF SECTION 24, TOWNSHIP 2 NORTH, RANGE 16 WEST, IN SAID RANCHO SAN FRANCISCO SOUTH 89 DEGREES 59 MINUTES EAST 308.40 FEET; THENCE NORTH 25 DEGREES 21 MINUTES EAST, 570 FEET TO AN ANGLE POINT IN THE LINE OF SAID LAND DESCRIBED IN BOOK 36817 PAGE 285, OF SAID OFFICIAL RECORDS.

EXCEPT 50 PER CENT OF ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES LYING IN AND UNDER SAID LAND, AS RESERVED IN THE DEED FROM DOMENICO GHIGGIA AND MARY GHIGGIA, HUSBAND AND WIFE, IN DEED RECORDED NOVEMBER 22, 1955 IN BOOK 49589 PAGE 170 OF SAID OFFICIAL RECORDS.

PARCEL 9:

THAT PORTION OF LOT 62, ST. JOHN'S SUBDIVISION OF PART OF RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 196 PAGE 304 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF LOT "A", TRACT NO. 1079, AS PER MAP RECORDED IN BOOK 18 PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DISTANT EASTERLY THEREON 2640 FEET FROM ITS INTERSECTION WITH THE WEST LINE OF SAID LOT 62; THENCE NORTHERLY AND PARALLEL WITH SAID WEST LINE 2,617 FEET MORE OR LESS, TO A LINE PARALLEL WITH THE NORTH LINE OF SAID LOT "A", AND DISTANT NORTHERLY THEREFROM A SUFFICIENT DISTANCE TO INCLUDE 160 ACRES OF LAND WITHIN THE PARCEL OF LAND HEREIN DESCRIBED; THENCE EASTERLY PARALLEL WITH SAID NORTH LINE OF LOT "A"; TO THE EASTERLY LINE OF SAID LOT 62, 2,706 FEET MORE OR LESS, TO THE EAST LINE OF SAID LOT 62; THENCE SOUTHERLY ALONG SAID EAST LINE 2,618 FEET MORE OR LESS, TO THE NORTH LINE OF SAID LOT "A"; THENCE WEST ALONG SAID NORTH LINE 2,640 FEET MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDED 3 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 852, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 10:

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EXHIBIT A

LOT 48 OF TRACT NO. 34144, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 969 PAGES 15 TO 20 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

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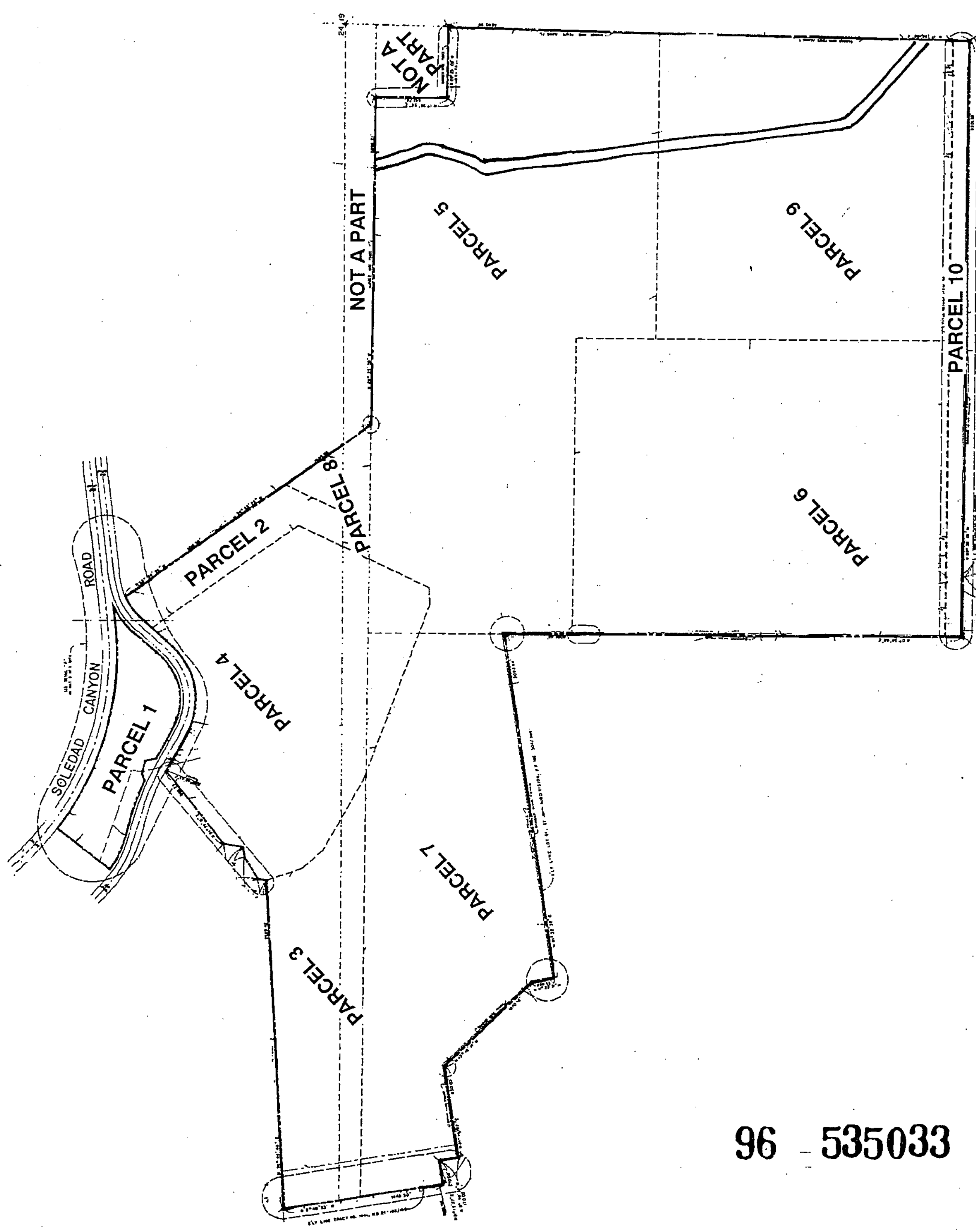

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A.L.T.A. SURVEY

IN THE CITY OF SANTA CLARITA
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

BEING A SURVEY OF A PORTION OF THE RANCHO SAN FRANCISCO PER MAP RECORDED IN BOOK 1 OF PATENTS, PAGES 521 AND 522 AND OF LOT 48 OF TRACT NO. 34144 AS PER MAP FILED IN BOOK 969, PAGES 16 TO 20 INCLUSIVE, OF MAPS, AS SHOWN ON THE RECORD OF SURVEY FILED IN BOOK 113, PAGES 8 TO 12 OF RECORDS OF SURVEY, ALL RECORDS OF THE COUNTY OF LOS ANGELES.

NOTE: THE ITEMS LISTED BELOW HAVE BEEN TAKEN FROM A TITLE REPORT PREPARED BY CHICAGO TITLE COMPANY, REPORT NUMBER 3068814-28, DATED MARCH 26, 1990

ITEM	RECORDING REFERENCES	PURPOSES	AFFECTS
8	BK 2844 PG 41 OF DEEDS BK 54565 PG 16	POWER POLES & RELATED PURPOSES POWER POLES & RELATED PURPOSES	PARCELS 1, 4, 6, & 7 PARCEL 10
9	BK 4390 PG 73 OF DEEDS	POWER POLES & RELATED PURPOSES	PARCELS 1 & 4
10	BK 308 PG 87	DRAINAGE PURPOSES	BLANKET
11	BK 43 PG 72	ROAD PURPOSES	PARCEL 4 - BLANKET
12	BK 3918 PG 316	PUBLIC ROAD PURPOSES	PARCEL 1
13	BK 4016 PG 237	PIPES LINES	PARCEL 1 - BLANKET
14	BK 4055 PG 133	PIPE LINES	PARCELS 1 & 4 - BLANKET
15	BK 18248 PG 204	POLE LINES	PARCELS 6, 9 & 10
17	BK 20319 PG 1	PASSAGE OF CATTLE & LIVESTOCK	PARCEL 4
18	BK 18756 PG 157	AQUEDUCT & FOUNDATIONS	PARCELS 5 & 9
19	BK 20309 PG 4	POLE LINES	PARCEL 1
21	BK 34096 PG 279	DRAINAGE PURPOSES	BLANKET
22	BK 28431 PG 300	POLE LINES	PARCEL 9
23	BK 21022 PG 337	I & E	PARCELS 2, 5, 6, 7 & 9
24	BK 4532 PG 178 BK 4535 PG 175 BOTH OF DEEDS	POLE LINES & CONSTRUCTION, OPERATION AND MAINTENANCE OF AN AQUEDUCT	5 & 9
25	BK 41948 PG 333	POLE LINES	PARCEL 6
26	BK D-81 PG 667 BK D-83 PG 323	PIPE LINES PIPE LINES	PARCELS 9 & 10 PARCELS 9 & 10
28	BK 3574 PG 587	TUNNELS	PARCELS 3 & 7
29	INST. 3939 REC. 5-23-68	PUBLIC ROADS AND HIGHWAYS	PARCEL 1
30	INST. 1660 REC. 3-5-70	AGREEMENT OF INTENT TO REALIGN RAILROAD R/W	PARCELS 1, 2 & 4
31	INST. 3935 REC. 8-2-72	DRAINAGE	PARCEL 1
33	INST. 80-1295[illegible]	NATURAL DRAINAGE	PARCEL 10
34	TR 34144 MB 969/15-20	CONSTRUCTION RIGHTS	PARCEL 10
35	TR 34144 MB 969/15-20	CONSTRUCTION RIGHTS	PARCEL 10
36	INST 81-751100	C C & R'S	PARCEL 10

SURVEYORS STATEMENT

NOTICE TO ALL PARTIES CONCERNED OR INTERESTED IN THE TITLE TO THE PREMISES SURVEYED. I HEREBY STATE THAT THE SURVEY WAS ACTUALLY MADE ON THE GROUND BY ME OR UNDER MY DIRECTION IN JANUARY AND FEBRUARY OF 1990. THAT IT CORRECTLY REPRESENTS THE PREMISES AS DETERMINED BY SAID SURVEY AND THAT THERE ARE NO ENCROACHMENTS EITHER WAY ACROSS THE PROPERTY LINE EXCEPT AS NOTED.

GENE ROSECRANS L.S. 4034

BASIS OF BEARINGS

THE BEARINGS SHOWN HEREON ARE BASED UPON THE CENTERLINE OF SOLEDAD CANYON ROAD SHOWN AS NORTH 83-18-37 WEST AS SHOWN ON R.S. 113-8/12 ON FILE IN THE OFFICE OF THE COUNTY ENGINEER OF LOS ANGELES COUNTY.

SCALE 1" = 300'

0 150' 300' 600' 900'
GRAPHIC SCALE

SOLEDAD CANYON ROAD

PARCEL 1

PARCEL 2

PARCEL 3

PARCEL 4

PARCEL 5

PARCEL 6

PARCEL 7

PARCEL 8

PARCEL 9

PARCEL 10

NOT A PART

LOS ANGELES AQUEDUCT

SOUTH LINE SEC 23, T4N, R15W, S.B.M.

SOUTH LINE SEC 24, T4N, R15W, S.B.M.

ELY LINE LOT 60, ST JOHN SUBDIVISION, M.R. 196-304/309

ELY LINE LOT 61, ST JOHN SUBDIVISION, M.R. 196-304/309

ELY LINE LOT 62, ST JOHN SUBDIVISION, M.R. 196-304/309

ELY LINE TRACT NO 40079, M.B. 1005-1/5

23|24

24|19

96 - 535033

SHEET 1 OF 2 SHEETS

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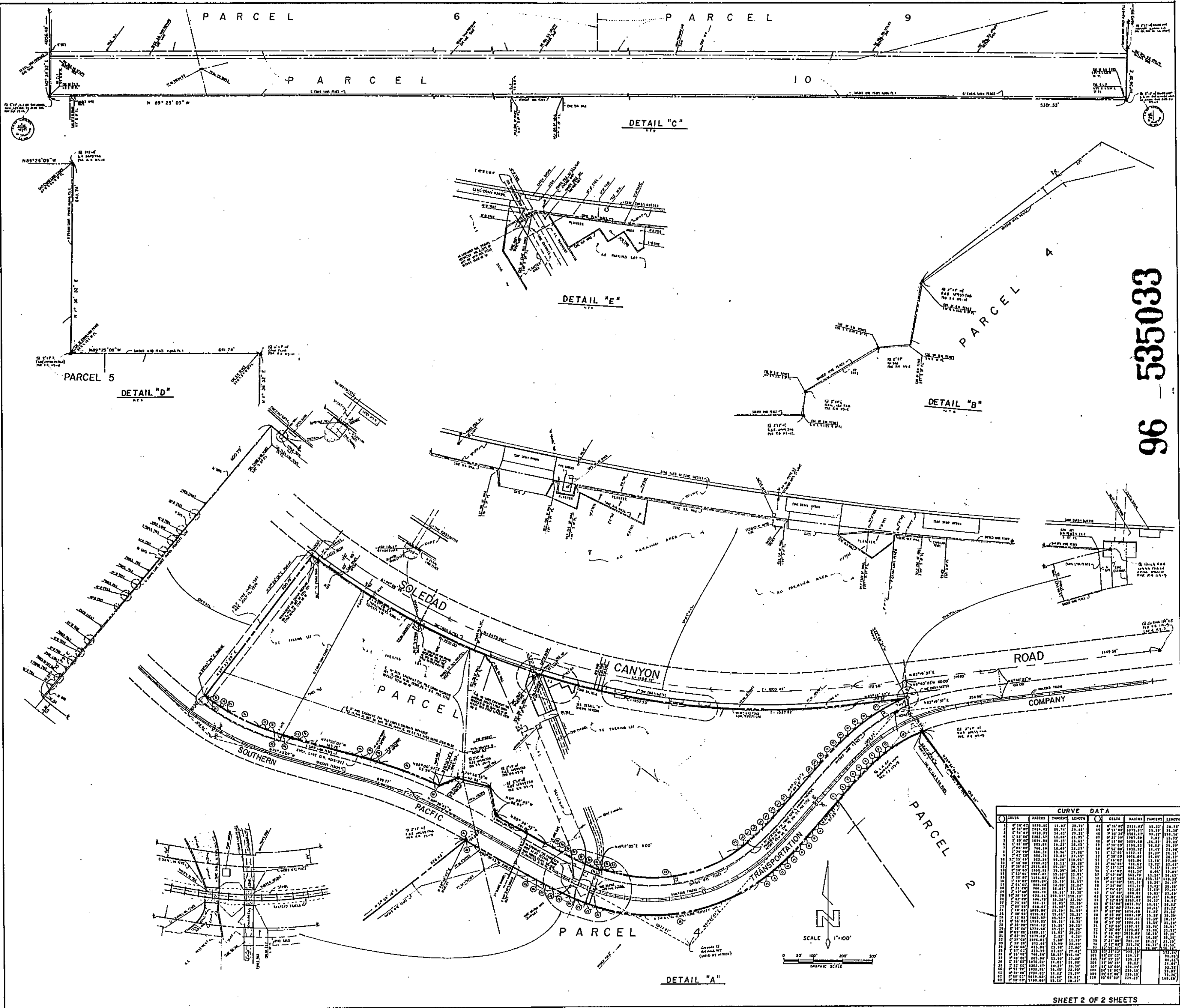

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EXHIBIT "B"

[SCHOOL MITIGATION AGREEMENT(S) - TO BE ATTACHED WHEN FULLY EXECUTED BY THE PARTIES]

EXHIBIT C

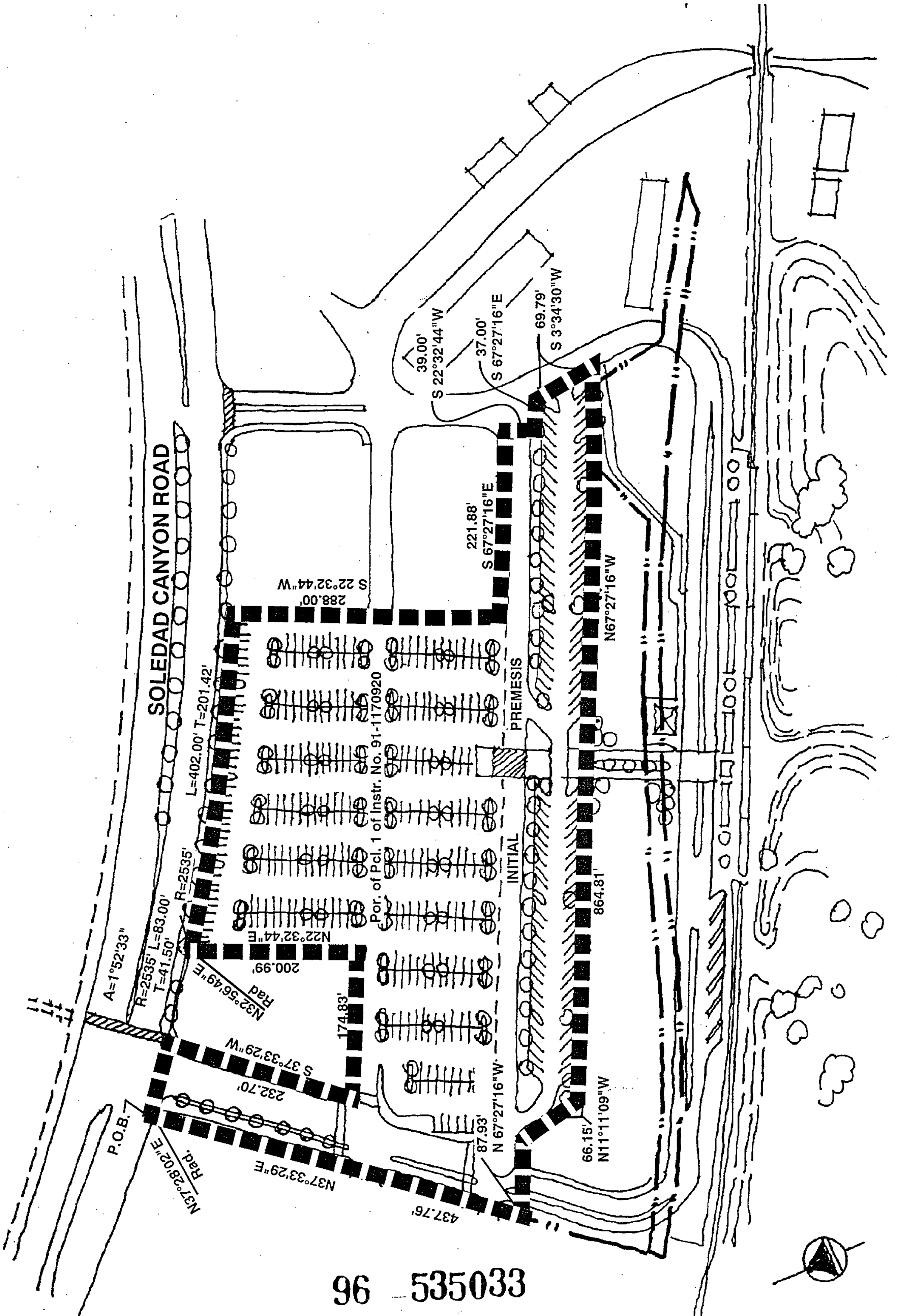

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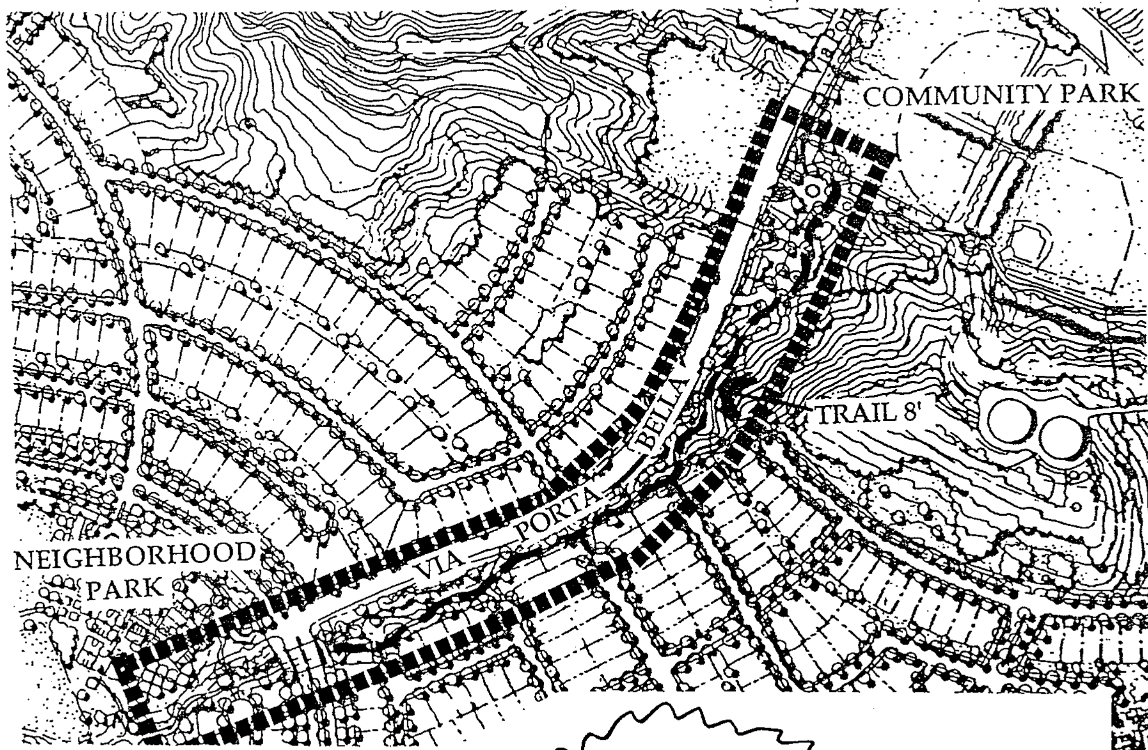
EXHIBIT D
COMMUNITY TRAIL

The Community Trail shall be a minimum of 8 feet wide.

The Community Trail shall be constructed of a non slip all weather surface.

The Community Trail shall comply with all requirements of the ADA (Americans with Disabilities Act) and City of Santa Clarita standards.



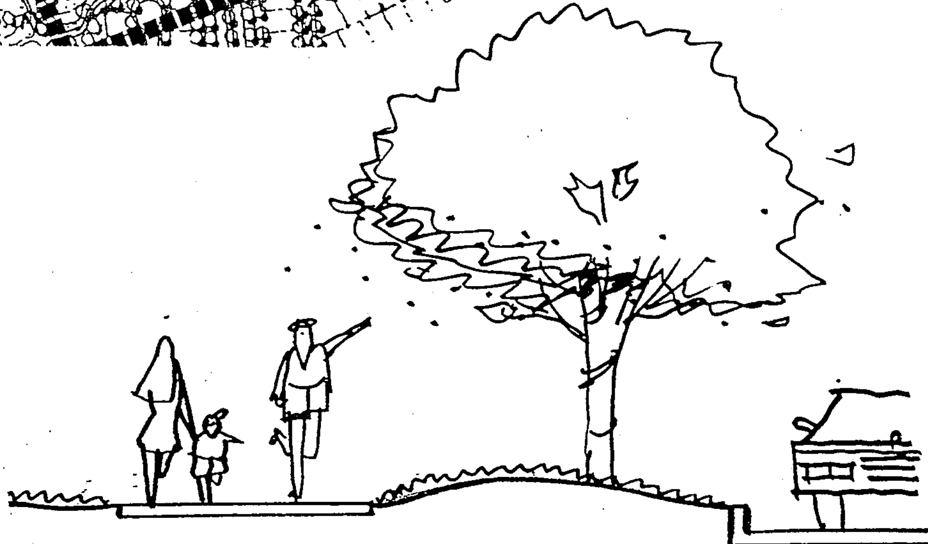


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EXHIBIT E
SPRINGBROOK AVENUE

Street trees shall be provided for Springbrook Avenue north of Dayton Street.

Trees shall be spaced at 30' on center.

Minimum tree size shall be 15 gallon.

Tree species shall be selected from Master Plan List identified in the Porta Bella Specific Plan.

A temporary irrigation system shall be used for plant establishment.

Plant Material Standards
To ensure the quality of the plant materials all plant materials shall conform to City of Santa Clarita standards and as described in the latest edition of "American Standards for Nursery Stock." All plant materials shall be free of pests and diseases.

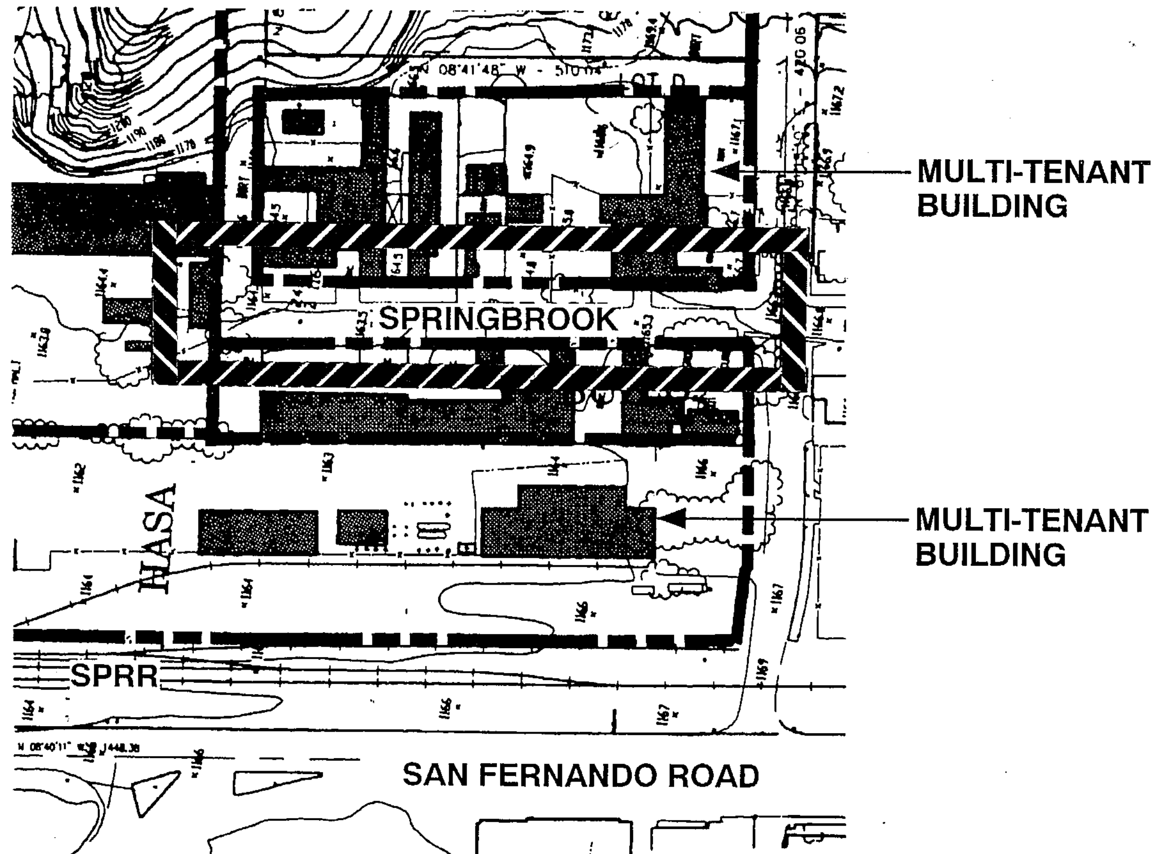

EXHIBIT F

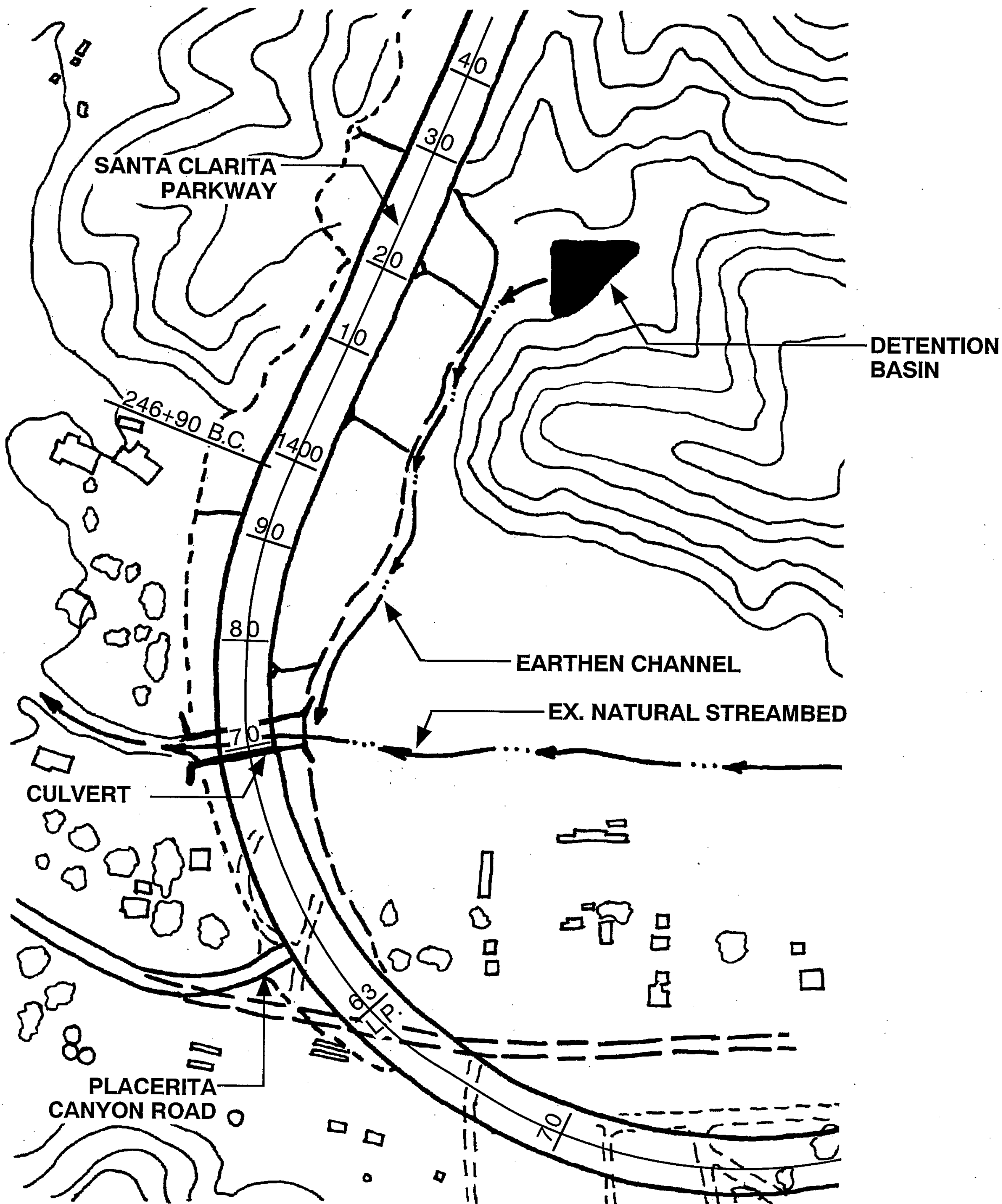

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EXHIBIT G
CIRCLE J ESTATES BUFFER

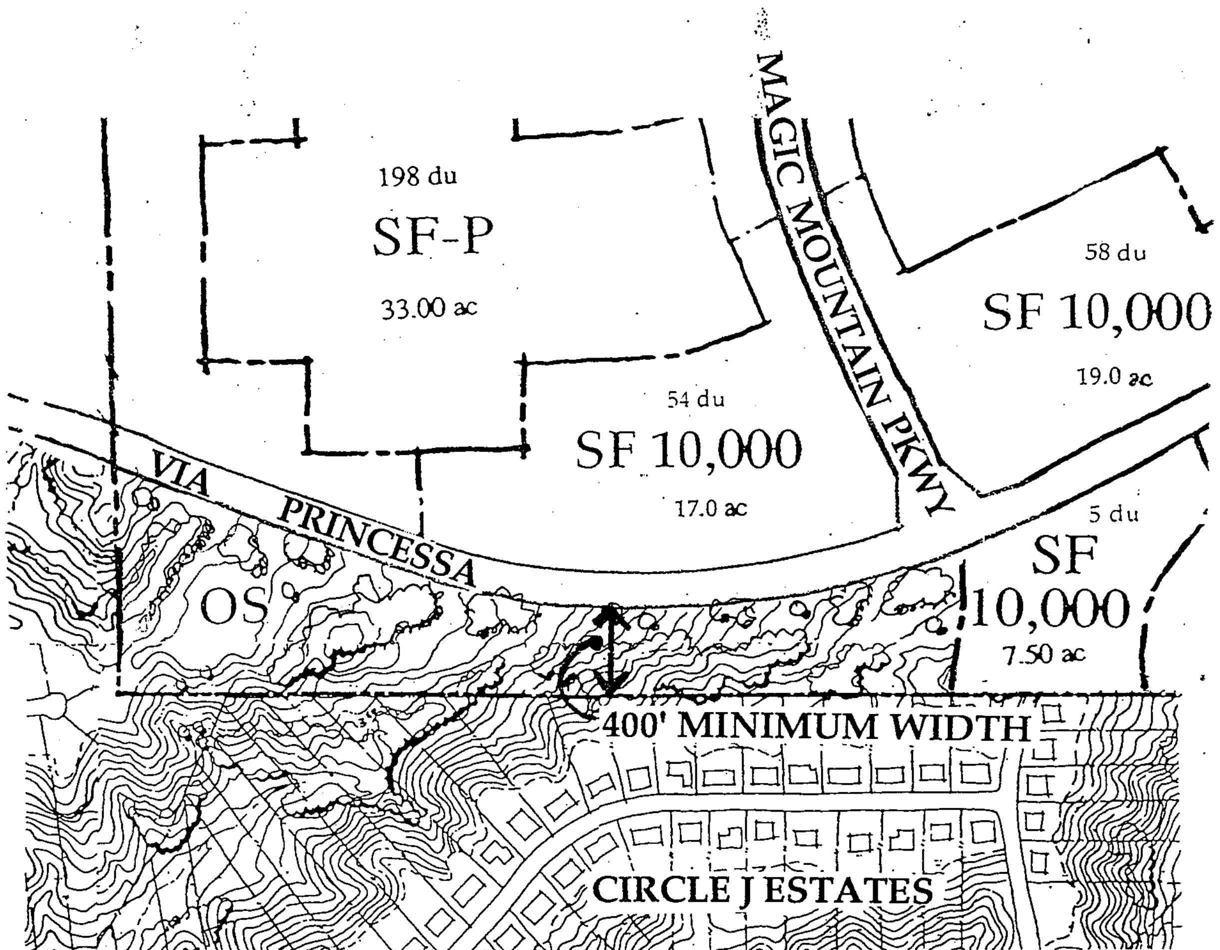

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EXHIBIT H
LANDSCAPE DESIGN STANDARDS

A buffer of 400 feet minimum will be provided between Via Princessa and the Circle J Estates neighborhood. The Buffer shall consist of open space including enhanced landscaping or 10,000 square foot lot minimum Single family residential.

Landscape of open space areas will consist of the following:

Informal plantings of trees, shrubs and groundcovers.

The landscape within this area will be composed of native drought tolerant plant material to blend in with the natural hillside grassland.

Trees shall be a minimum size of 15 gallon. There shall be approximately 1 tree per 750 square foot of landscape area within the street parkway.

Native shrubs and groundcover will be planted and hydroseeded along slope areas.

A landscape berm shall be provided where possible. The berm shall be 3' minimum in height. Where no berm is possible due to grading constrictions a continuous planting of shrubs shall be implemented. Shrubs shall be 5 gallon in size and designed to screen the road from view.

Plants shall be selected from the Master Plant list for shrubs appropriate for the Hillside Grassland conditions.

Slopes shall be contour graded as much as possible to compliment natural hillsides and drainage swales.

To ensure the quality of the plant materials all plant materials shall conform to City of Santa Clarita standards and as described in the latest edition of "American Standards for Nursery Stock." All plant materials shall be free of pests and diseases.

82

96 - 535033

EXHIBIT I
KARI LANE GATE

The style of the gate shall be compatible with the architectural character of the Circle J Estates.

The design of the gate shall be consistent with the existing Circle J Estates gate as a minimum standard.

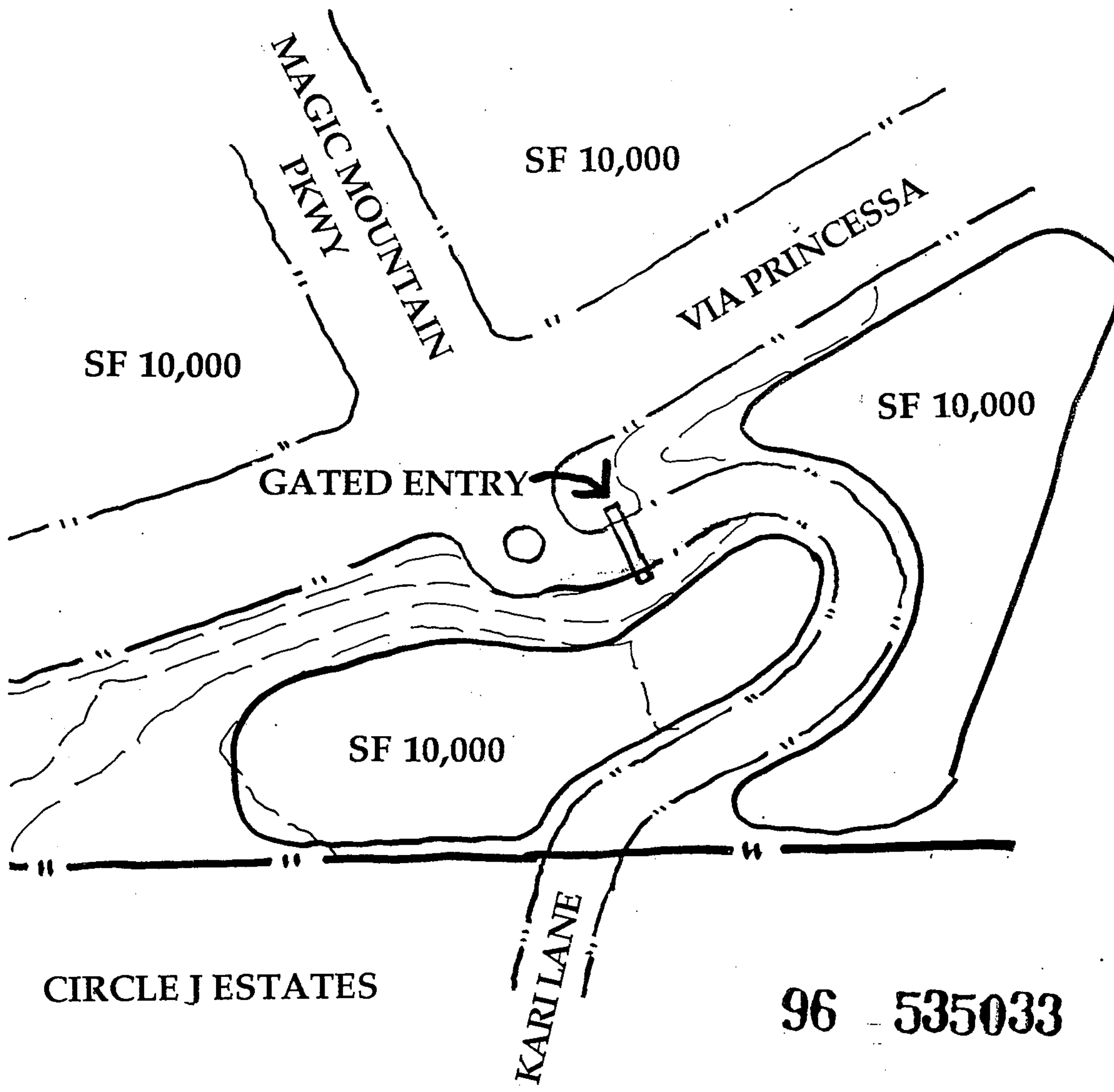

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EXHIBIT "J"

INDEMNIFICATION AGREEMENT

This Agreement is entered into by and between the City of Santa Clarita, Whittaker Porta Bella Development, Inc., a California Corporation and Whittaker Corporation, a California Corporation, and is dated March 28, 1996.

1. INDEMNIFICATION.

Pursuant to that certain Development Agreement By and Between the City of Santa Clarita ("City") and Whittaker Porta Bella Development, Inc. dated as of March 28, 1996 ("Development Agreement"), Whittaker Porta Bella Development, Inc. ("Developer") and Whittaker Corporation ("Whittaker"), for each of them and each of their successors and assigns, agree to indemnify, protect, defend (with counsel acceptable to the City) and hold the City harmless from any and all liability, costs, fines, penalties, charges and/or claims of any kind whatsoever (including, but not limited to, the death or injury of any person) ("Liability") caused by, arising from, or by reason of, the presence of any "toxic" or "hazardous" substance or material, as those terms are currently or hereinafter defined in California or federal law, whether presently found on the Project Site (as that term is defined in the Agreement) or later discovered on the Project Site. A current definition of "toxic" and "hazardous" materials, as defined in California and federal law, is attached hereto as Exhibit 1. Notwithstanding the foregoing, Developer and Whittaker do not indemnify the City for any Liability arising from "toxic" or "hazardous" substances or materials which were not present on the Project Site or portion thereof as of the date of sale of such Project Site, or such portion thereof (as the case may be), by Developer or Whittaker to a third party. It is Developer's and Whittaker's obligation to establish that any "toxic" or "hazardous" substances were deposited on the Project Site after the date of sale of such property to a third party either to the City's satisfaction or in a court of law. Until such time as the responsibility for the "toxic" or "hazardous" substances or materials is so established, Developer and Whittaker agree to protect, defend (with counsel acceptable to the City), hold harmless and indemnify the City from any and all liability, costs, fines, penalties, charges and/or claims of any kind whatsoever (including, but not limited to, the death or injury of any person) caused by, arising from, or by reason of, the presence of any "toxic" or "hazardous" substance or material on the Project site. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of the Comprehensive Environmental Resource Conservation and Recovery

96 535033

Act, 42 U.S.C. Section 9601 et seq. and California Health and Safety Code Section 25364 to assure, protect, hold harmless and indemnify the City from liability. Provided Whittaker and Developer are not in breach of their obligation under this Agreement, this indemnification shall not cover any settlement of a liability claim unless Whittaker and Developer have approved in writing such settlement.

2. NAMING CITY AS ADDITIONAL INSURED ON INSURANCE POLICIES

If either or both Developer or Whittaker obtain or hold insurance policy(ies) that covers the risk of Liability arising from "toxic" or "hazardous" substances or materials on the Project Site or portion thereof, then the City shall be named as an additional insured on said Policy(ies).

3. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of a party to this Agreement represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind such party to the performance of its obligations hereunder.

4. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

5. MODIFICATION OF AGREEMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by all parties to this Agreement. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

6. WAIVER.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement.

7. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

8. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

9. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

10. NOTICE.

Notice shall be given to City and Developer as provided in the Development Agreement. Notice shall be given to Whittaker at the same addresses as provided for Developer in the Development Agreement.

The City shall give Developer and Whittaker prompt written notice of the commencement of any claim, action or proceeding concerning a liability; provided, however, failure to give such notice shall relieve neither Whittaker nor Developer of their obligation under this Agreement without prejudice to any damage remedy arising from such failure.

11. REMEDIES.

Any remedies shall be the same as the remedies set forth in the Development Agreement.

96 535033

12. PRESERVATION OF CITY'S DEFENSES.

This Agreement shall not defeat or render inapplicable any defense to a liability which the City would otherwise have if this Agreement did not exist, including, without limitation, any defense based upon statutory and common law principles of governmental immunity.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, consisting of five (5) pages, including the following signature page, but excluding Exhibit 1, as of the date first written above.

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SIGNATURE PAGE

WHITTAKER PORTA BELLA DEVELOPMENT, INC., a California Corporation

By: _______________
[Print Name] RICHARD LEVIN
[Print Title] VP

By: _______________
[Print Name] Lynne M. O. Brickner
[Print Title] Vice President and Secretary

WHITTAKER CORPORATION, a ~~California~~ Delaware Corporation
Delaware

By: _______________
[Print Name] RICHARD LEVIN
[Print Title] VP

By: _______________
[Print Name] Lynne M. O. Brickner
[Print Title] Assistant Vice President

CITY OF SANTA CLARITA, a Municipal Corporation of the State of California

By: _______________
Carl Boyer
Mayor

ATTEST:

____
Donna M. Grindey,
City Clerk

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90:INDEM.pb

Exhibit 1 to Exhibit "J"

Hazardous Materials - Any hazardous or toxic substance, material, or sewage or other waste which is regulated, controlled or prohibited by statute, rule, regulation, decree or order of any governmental authority, the State of California or the Unitsed States Government now or at any time hereafter in effect. The term "Hazardous Materials" includes, without limitation, any material or substance which is:

1. Defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under §§ 25115, 25117 or 25122.7, or listed pursuant to § 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law);

2. Defined as a "hazardous substance" under the Carpenter-Presley-Tanner Hazardous Substance Account Act ("HSAA Act"), Division 20, Chapter 6.8, § 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 ("HSAA Act");

3. Defined as a "hazardous material," hazardous substance," or "hazardous waste" under Section 25501(i), (k) and (l) of the California Health and Safety Code, Division 20, Chapter 6.7 (Hazardous Materials Release Plans and Inventory);

4. Defined as a "hazardous substance" under Section 25281(d) of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances);

5. Defined as "waste" in § 13050(d) of the California Water Code (Porter-Cologne Water Quality Act);

6. Petroleum, including crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel, or any mixture thereof;

7. Listed under Article 5 or defined as hazardous or extremely hazardous pursuant to Article 2 of Title 22 of the California Administrative Code, Division 4.5, Chapter 10;

8. Designated as a as a "hazardous substance" pursuant to § 311(a)(14), 33 U.S.C. § 1321(a)(14), of the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251, 1321(a)(14);

9. Defined as a "hazardous waste" pursuant to § 1004 of the Solid Waste Disposal Act Amendments to the Resource

Conservation and Recovery Act, 42 U.S.C. §§ 6901, 6903(5);

10. Polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation;

11. Organochlorine pesticides (OCBs), including but not limited to DDT, DDD and DDE; or

12. Any other chemical, material or substance that, because of its quantity, concentration, or physical or chemical characteristics, exposure to which is limited or regulated for health and safety reasons by any governmental authority, or which poses a significant present or potential hazard to human health and safety or to the environment if released into the work place or the environment.

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SECOND COMMUTER RAIL STATION SITE LEASE WITH OPTION TO PURCHASE

THIS LEASE, is made this 21st day of April, 1996, by and between Whittaker Porta Bella Development, Inc., a California corporation ("Lessor") and the City of Santa Clarita, a municipal corporation ("Lessee"), with reference to the following facts and circumstances:

A. Lessor owns that certain real property, in the City of Santa Clarita, as more specifically described in Exhibit A attached hereto ("Bermite Property").

B. Lessee wishes to lease a portion of the Bermite Property more specifically described in Exhibit B and Exhibit B-1 attached hereto ("Premises"), consisting of approximately 6.40 acres, all in accordance with the provisions of this Lease.

C. Lessor also wishes to grant to Lessee an option to purchase the Premises in accordance with the provisions of this Lease.

D. The City intends to use the Premises leased pursuant to this Lease for the operation of a public passenger commuter rail station.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Lease, and other good and valuable consideration, had and received, the parties hereto hereby agree as follows:

1. Premises. Lessor hereby leases to Lessee, and Lessee leases from Lessor, the Premises, subject to and in accordance with the provisions of this Lease.

2. Term. The term of this Lease shall be three (3) years, commencing on April 21, 1996, and ending on April 21, 1999 ("Term"), unless this Lease is terminated earlier pursuant to the provisions of this Lease.

3. Rent. During the Term, Lessee shall pay to Lessor as rent for the Premises, annual payments of One Dollar ($1.00) per year, in advance. Rent shall be payable to Lessor in lawful money of the United States at the address set forth in Paragraph 13 hereof. Rent shall be payable without notice, demand, any right of deduction, abatement, offset, setoff, counterclaim, deferment, diminution, or suspension. This Lease is what is commonly known as a "triple net lease," it being understood that, except as expressly set forth in this Lease, Lessor shall receive rent set forth in this Lease free and clear of all taxes, liens (other than those created or caused by Landlord), expenses, charges or other costs or expenses of any nature whatsoever in connection with the ownership or operation of the Premises.

4. Use.

a. Rail Station. The Premises shall be used and occupied only for the operation and maintenance of a public commuter rail station and such other uses which are reasonably ancillary to, supporting of, and related to such primary use and which are expressly set forth in Exhibit C, attached hereto.

b. Compliance with Law. Subject to the provision of Paragraph 4.c. hereof, Lessee shall use and keep the Premises, all improvements located thereon now or in the future, and any portion thereof and any interest therein, in full compliance with all applicable law (including all state and federal environmental laws applicable to the Premises), regardless of whether any such applicable law expressly allocates the burden of such compliance to Lessor or to another party. Lessee shall keep the Premises and every part thereof in a clean, safe and wholesome condition, free from any nuisance and shall comply with any and all applicable health and police regulations in all material respects. If any party hereto receives a notice from any governmental authority regarding a violation of any applicable law, rule or regulation, such party shall promptly notify the other party of such notice and deliver a copy thereof to such other party.

c. Hazardous Waste.

i. Lessee shall not engage in any activity on the Premises that violates any federal, state or local laws, regulations, guidelines, codes, or ordinances (individually and collectively, "Laws") pertaining to Hazardous Material

(as hereinafter defined), and shall promptly, at Lessee's expense, take all investigatory and/or remedial action required or ordered for cleanup of any contamination of the Premises created or caused by Lessee, or which occurred during the Term or during the term of the First Lease but excluding such occurrence that results from Hazardous Material in, on, under or about the Premises prior to the commencement of the First Lease (as hereinafter defined) or results from any activities of the Lessor, Lessor's employees, agents or contractors that cause Hazardous Materials to be in, on, or under the Premises after the commencement of the First Lease. Lessee shall indemnify, protect, defend and hold Lessor, its directors, officers, employees and agents and its parent and subsidiary corporations harmless from any and all costs, claims, expenses, penalties and attorneys' fees arising out of any matter within the purview of this Paragraph 4.c.i. including, but not limited to, the investigation, remediation and/or abatement of any contamination therein involved.

ii. Lessor shall be responsible and promptly pay for all costs incurred by Lessor and all reasonable costs incurred by Lessee in complying with any order, ruling or other requirement of any court or governmental body or agency having jurisdiction over the Premises requiring Lessor or Lessee to comply with the Laws which relate to Hazardous Material in, on, or under the Premises including, without limitation, the cost of any required or necessary repair, remediation, removal, cleanup or detoxification, including but not limited to the preparation of any remedial investigation, feasibility study, closure or other required plans, attorneys' fees and costs. Notwithstanding anything contained in the foregoing to the contrary, Lessor shall not be, and Lessee shall be, responsible for any such cost relating to Hazardous Material in, on or under the Premises caused by or arising out of Lessee's use of the Premises, or which occurred during the Term or occurred during the term of the First Lease if (i) such occurrence does not result from Hazardous Material in, on, or under the Premises prior to the commencement of the term of the First Lease, (ii) such occurrence does not result from the migration of Bermite Property Migrating Hazardous Material (as hereinafter defined) from the Bermite Property (other than the Premises) at any time before or after the commencement of the Term, and (iii) such occurrence does not result from any activities of the Lessor, Lessor's employees, agents or contractors that cause Hazardous Materials to be in, on, or under the Premises during the Term or during the term of the First Lease. For purposes of this Agreement, "Bermite Property

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96

Migrating Hazardous Material" shall mean Hazardous Material which came onto or into the Bermite Property during the time of its ownership or use by Lessor (or any affiliate of Lessor and whose existence on, in or under the Bermite Property was not caused by Lessee, Lessee's employees, agents or contractors).

iii. Lessor shall indemnify, protect, defend and hold Lessee, its directors, officers, employees and agents harmless from and against any and all claims, judgments, damages, penalties, fines, costs liabilities or losses (including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) (collectively, "Liabilities") caused by or arising out of (i) the breach of any representation, warranty or covenant of Lessor contained herein or (ii) the presence of Hazardous Material in, on, or under the Premises, excluding, however, any such cost relating to Hazardous Material in, on, or under the Premises caused by Lessee's use of the Premises, or which occurred during the Term or during the term of the First Lease or (iii) any such Hazardous Material with respect to which any court or governmental body or agency having jurisdiction over the Premises holds Lessor or Lessee responsible for or otherwise requires Lessor or Lessee to undertake any repair, cleanup, detoxification or other remedial action. Notwithstanding anything contained in the foregoing to the contrary, Lessor shall have no indemnification or other obligation under this Paragraph 4.c.iii. with respect to an occurrence of Hazardous Material caused by or arising out of Lessee's use of the Premises, or which occurs during the Term or the term of the First Lease unless (A) such occurrence results from Hazardous Material in, on, or under the Premises prior to the commencement of the term of the First Lease, (B) such occurrence results from the migration of Bermite Property Migrating Hazardous Material from the Bermite Property (other than Premises) to the Premises at any time before or after the commencement of the Term, or (C) such occurrence results from any activities of the Lessor, Lessor's employees, agents or contractors that cause Hazardous Materials to be in, on, or under the Premises after the commencement of this Lease.

iv. To Lessor's best actual current knowledge, after Lessor's reasonable review of internal documents, including but not limited to, all written reports received from any federal, state, or local body, but without any other duty of due diligence or investigation, Lessor hereby represents and warrants, as of the date of the First Lease to Lessee with respect to the Premises only, as follows:

(1) The Lessor is, as of the commencement of the First Lease, in compliance with all Laws regarding the handling, transportation, storage, treatment, use and disposition of Hazardous Material on the Premises.

(2) There has been no unauthorized, unlawful or unpermitted dumping or releasing of Hazardous Material in, on, or under the Premise.

(3) There has been no migration of Hazardous Material onto or under the Premises.

(4) The Lessor has removed any and all underground tanks, drums, and metal debris and Hazardous Materials associated with such tanks and drums in, on, or under the Premises.

(5) There are no Polychlorinated Biphenyls ("PCBs") in, on, or under the Premises.

(6) There are no asbestos containing building materials ("ACBMs") in or on the Premises.

(7) The factual representations expressly made by Mr. AbdunNur in, but not limited to, Sections 5.1.2, 5.1.4, 5.1.5, 6.1.1, 6.1.2, 6.5, and 7.0 of the Phase I Environmental Site Assessment ("Environmental Assessment") prepared by Delta Environmental Consultants, dated August 16, 1991, are true and correct.

(8) There are no wells in, on, or under the Premises, excluding the "repair well" described in the Environmental Assessment which, in fact, is a vehicle mechanic's subgrade bay.

v. The recommendations as set forth in Section 7.0 of the Environmental Assessment, to the extent such recommendations pertain to the Premises, were complied with by the Lessor according to the Laws within ninety (90) days from the commencement of the First Lease. Neither the recommendations nor the facts and information on which the recommendations are based shall

96 535033

constitute, or serve as the basis of a claim that Lessor had, actual current knowledge of matters which violate the representations and warranties set forth in this Paragraph 4 or elsewhere in this Lease.

vi. To the extent commercially practical, Lessor shall take all action as is necessary to enforce the requirements contained in any leases or occupancy agreements between Lessor and third parties with respect to the use or occupancy of land immediately adjacent to the Premises and located within the Bermite Property, which relate to the handling, transportation, storage, treatment, use or disposition of Hazardous Material by such third parties.

vii. Without limiting the generality of this Indemnity, this Indemnity is intended to operate as an agreement pursuant to Section 107(e) of CERCLA, 42 U.S.C. Section 9607(e) and California Health and Safety Code Section 25364 to defend, protect, hold harmless and indemnify Lessee for any liability pursuant to such sections.

viii. For purposes of this Lease, "Hazardous Material" shall mean all substances, wastes and materials designated or defined as hazardous, extremely hazardous or toxic pursuant to Section 311 of the Clean Water Act, 33 U.S.C. Section 1321; Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6903; Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601; Section 25140 of the Hazardous Waste Control Law, Cal. Health and Safety Code Section 25140; Section 25316 of the Carpenter Presley Tanner Hazardous Substance Account Act, Cal. Health and Safety Code Section 25316,; Section 25501 of the Hazardous Materials Lease Response Plans and Inventory Law, Cal. Health and Safety Code Section 25501; Section 33459(b) of the California Health and Safety Code; or Section 25281 of the California law regarding underground storage of hazardous substances, Cal. Health and Safety Code Section 25281; any substance, material or waste listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. 172.101) or by the Environmental Protection Agency as a hazardous substance (40 C.F.R. Part 302) and amendments thereto; and in the regulations adopted and publications promulgated pursuant to any of such laws; as well as asbestos and petroleum (including its fractions and petroleum products), and any other substance designated from time to time as hazardous, extremely hazardous

or toxic by any applicable governmental authority.

5. As-Is.

a. Inspection; As-Is. Lessee acknowledges and agrees that it has inspected the Premises and all factors relevant to the use of the Premises, including, without limitation, the physical and geological condition of the Premises and all matters relating to title, taxes, assessment, zoning, use permits and other building codes. Lessee further acknowledges, agrees and represents that, subject to the express representations and warranties contained in this Lease, it is leasing the Premises in an "AS-IS" condition "WITH ALL FAULTS" and solely in reliance upon Lessee's inspection and examination. Neither Lessor, nor any agents, representatives, employees, officers, or other affiliates of the Lessor have made, will make, or be deemed to make now or in the future any representations or warranties, express or implied, verbal or written, with respect to the Premises or any other property owned by Lessor or with respect to the fitness of any such property for any particular purpose, except as expressly set forth in this Lease.

b. Toxics Report and Release. Prior to the execution of the First Lease, Lessor delivered to Lessee the Environmental Assessment, covering approximately 23 acres of land including the Premises. Lessee has inspected and caused its experts to inspect, such report and the Premises, to determine the completeness and accuracy of such Environmental Assessment. Lessor hereby represents and warrants as of the date of the First Lease, without any duty of due diligence or investigation (except as expressly required in this Lease), that it has no actual current knowledge that Hazardous Material exists on or in the Premises, except as described in the Environmental Assessment. Lessee acknowledges that Lessor is relying on the Environmental Assessment in making the representations and warranties contained in this Lease with respect to Hazardous Waste and that this Lease does not impose any additional duty of investigation with respect to such representations, except as expressly set forth in this Lease.

6. Real Property Taxes.

a. Payment of Taxes. Lessor shall pay all real property taxes applicable only as of the date of the First Lease to the unimproved land of which the

Premises are composed during the Term. Otherwise, Lessee shall pay all property taxes with respect to the Premises, including those for or allocable to any improvements, fixtures, furniture, equipment, and personal property (unless Lessee is exempt from such payment and such exemption does not shift the payment obligation back to Lessor). All such payments shall be made at least ten (10) days prior to the delinquency date of such payment. If any such taxes paid by Lessee shall cover any period of time prior to or after the expiration of the Term, Lessee's share of such taxes shall be equitably prorated to cover only the period of time within the tax fiscal year during which this Lease shall be in effect, and Lessor shall reimburse Lessee to the extent required.

7. Maintenance and Repairs. At no expense or cost to Lessor, Lessee will keep the Premises and the improvements located thereon now or in the future in good and clean order, repair and condition, except for ordinary wear and tear. Subject to the foregoing, Tenant will promptly make all necessary or appropriate repairs, replacements, and renewals of all improvements located on the Premises, whether interior or exterior, structural or non-structural, ordinary or extraordinary, foreseen or unforeseen. All repairs, replacements and renewals shall be at least equal in quality to those existing as of the date of original construction with respect to the improvements constructed after the date of the First Lease, and shall be kept in good working order and condition. At no cost or expense to Lessor, Lessee will do all shoring of the Premises, the property adjoining thereto, the foundations and walls of the improvements located on the Premises now or in the future, and the foundations and walls of the improvements located on the property adjacent to the Premises now or in the future, and every other act necessary or appropriate for the preservation and safety thereof by reason of or in connection with any commuter rail station or other building, construction, use or operation upon the Premises, whether or not the owner of the Premises or the owner of such adjoining property shall be required under applicable law to take such action or be liable for the failure to do so. The parties hereto acknowledge and agree that Lessor shall have no obligation to make improvements, capital or otherwise, with respect to the Premises, or to repair, restore, or replace improvements on or otherwise incur any expenses or costs with respect to the Premises. Lessee shall not use the Premises in any way which will unreasonably interfere with the use of the other portions of the Bermite Property.

8. Mechanics' Liens.

a. Discharge of Liens. During the term of this Lease, Lessee shall not permit to remain, and shall properly discharge, at its sole cost and expense, all liens and charges (other than liens and charges created by Landlord) upon the Premises, or any portion of the real property making up the Premises, or any interest in the Premises or the real property making up the Premises; provided that the existence of any mechanics' liens, shall not constitute a violation of this Paragraph 8 if payment is not yet due under the contract and the contract does not postpone payment for more than sixty (60) days after performance, and there is no risk of foreclosure on a lien prior to payment. Lessee shall have the right to contest, with due diligence, the validity or amount of any lien or claimed amount, if Lessee posts, in a manner required by applicable law, a bond to remove the lien.

b. Notice of Liens. If any lien is filed against the Premises or if any action of any character affecting the title thereto is commenced, Lessee shall give to Lessor written notice thereof as soon as notice of such lien or action comes to the knowledge of Lessee.

9. Construction. During the term of the First Lease, Lessee developed the Premises for use as a commuter rail station. Lessee shall pay all costs and expenses for the design, development and construction of such commuter rail station and related improvements. Any improvements on the Premises after the expiration of the Term or after the termination of this Lease shall become the property of Lessor and, from and after the expiration of the Term or the termination of this Lease, Lessor shall have the right to demolish or use such improvements as Lessor sees fit and without any compensation or payment by Lessor to Lessee therefor.

10. Assignment and Subletting.

a. Consent. Lessee shall not voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any part of Lessee's interest in this Lease or the Premises, without Lessor's prior written consent, which Lessor shall not unreasonably withhold. Lessor shall respond to Lessee's request for consent hereunder in a timely manner and any attempted assignment, transfer, mortgage, encumbrance or subletting without such consent

96 535033

shall be void, and shall constitute a breach of this Lease. The parties hereto acknowledge that Lessor is entering into this Lease solely to facilitate the location, development, construction and operation of a commuter rail station on the Premises and nothing contained in this Lease shall require or be construed to require Lessor to approve any assignment, subleasing or other transfer pursuant to this Paragraph 10 which does not directly promote, or is not directly intended to fulfill, this objective and use. Notwithstanding anything contained in the foregoing to the contrary, Lessee shall be entitled to grant to third parties the temporary right to park motor vehicles on the Premises, provided that no such rights shall survive the termination or expiration of this Lease, and to sublet portions of the Premises for the ancillary uses described in Paragraph 4.a. hereof, subject to the consent of Lessor which consent shall not be unreasonably withheld.

b. Governmental Entities. Notwithstanding the provisions of Paragraph 10.a. hereof, Lessee may assign or sublet the Premises, or any portion thereof, without Lessor's consent, to any governmental or quasi-governmental entity ("Lessee Affiliate") for the use described in Paragraph 4.a. hereof, upon not less than thirty (30) days' prior written notice to Lessor. Any such assignment shall not, in any way, affect or limit the liability of Lessee under the terms of this Lease even if, after such assignment or subletting, the terms of this Lease are materially changed or altered without the consent of Lessee, the consent of whom shall not be necessary.

c. No Release of Lessee. Regardless of Lessor's consent, no subletting or assignment shall release Lessee of Lessee's primary liability of Lessee to pay the rent and to perform all other obligations to be performed by Lessee under this Lease. The acceptance of rent by Lessor from any other person shall not be deemed to be a waiver by Lessor of any provision hereof. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. In the event of any default by any assignee of Lessee or any successor of Lessee, in the performance of any of the terms hereof, Lessor may proceed directly against Lessee without the necessity of exhausting remedies against said assignee. Lessor may consent to subsequent assignments or subletting of this Lease or amendments or modifications to this Lease with assignees of Lessee, without notifying Lessee, or any successor of Lessee, and without obtaining its or their consent thereto and such action shall not relieve Lessee of liability under this Lease.

103

11. Option to Purchase.

a. Grant. Lessor hereby grants to Lessee an option ("Purchase Option") to purchase the Premises, upon the terms and conditions set forth in this Paragraph 11.

b. Option Period. Lessee shall have the right to exercise the Purchase Option at any time during the period ("Option Period") commencing with the commencement of the Term and ending ninety (90) days before the expiration of the Term. The option rights contained in this Paragraph 11 are in lieu of Lessee's powers of eminent domain and condemnation with respect to the Premises, or any portion thereof, or with respect to any portion of the Bermite Property to be used for or in connection with a commuter rail station. Lessee hereby waives such powers with respect to the Premises and other property described in the preceding sentence for a period of five years commencing with the commencement of the Term.

c. Exercise Procedure.

i. Exercise Notice. Lessee shall exercise the Purchase Option with respect to the Premises by giving written notice of its unequivocable exercise of such Option to Lessor so that Lessor receives such written notice within the Option Period, time being of the essence in this respect as it is in regard to all provisions of this Lease. If Lessee fails to so exercise the Purchase Option within such Option Period, the Purchase Option shall automatically expire. Upon the exercise of the Purchase Option, Lessee shall be bound to purchase, and Lessor shall be bound to sell, the Premises, in accordance with all of the provisions of this Paragraph 11. If the Purchase Option is exercised, this Lease shall remain in full force and effect until the earlier of the Close of Escrow or the expiration of the Extended Term.

d. Additional Option Conditions. The provisions of Paragraph 36 hereof are conditions of this Option.

e. Purchase Price.

96 535033

i. Amount. Upon the exercise of the Purchase Option, Lessee shall purchase, and Lessor shall sell, the Premises for a purchase price equal to the sum of $2,500,000 as such amount shall be increased by the increase in the Consumer Price Index from April, 1995 to the date of the Close of Escrow, computed as follows: multiply $2,500,000 by a fraction, the numerator of which is the Consumer Price Index for the month in which the Close of Escrow takes place and the denominator of which is the Consumer Price Index for April, 1995. For purposes hereof, "Consumer Price Index" means the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for the Los Angeles-Anaheim-Riverside area (all urban consumers, all items) (1982-84=100). If the Consumer Price Index format should be revised, such revised Consumer Price Index shall be modified by making such adjustments as may be required to produce substantially equivalent financial results as that which would have been obtained by the application of the current Consumer Price Index format. If the Consumer Price Index is revised so that such an adjustment cannot reasonably be made, or if the Consumer Price Index is discontinued, a reasonably reliable and comparable index or other information, which is furnished by a government or an independent third party source and which evaluates changes in the costs of living or purchasing power of the consumer dollar, shall be substituted for the Consumer Price Index. If the parties are unable to agree upon such substitute index or upon any adjustment required pursuant to this Paragraph 11, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said arbitrators shall be paid equally by Lessor and Lessee.

ii. Payment of Purchase Price. The purchase price for the Premises shall be paid, at the Close of Escrow (as hereinafter defined) in cash or other immediately available funds.

f. "As-Is Sale". Lessee acknowledges, agrees, and represents that, by the time Lessee exercises the Purchase Option, it will have inspected the Premises and all factors relevant to its use, (including, without limitation, the physical and geological condition of the Premises, including, without limitation, all matters relating to title, taxes, assessment, zoning, use permits, and building); that the term of the Lease and the Option Period has been provided for this purpose; and that this period of time is adequate to make such a full investigation of the Premises.

Lessee further acknowledges and represents, as of the date of this Lease, the date the Purchase Option is exercised, and as of the Close of Escrow, that it has substantial experience, or has or will engage consultants who possess such substantial experience, with real property of the type and size of the Premises, and that Lessee is acquiring the Premises in an "AS-IS" condition "WITH ALL FAULTS" and solely in reliance on the Lessee's inspection and examination of the Premises, subject to the provisions of Paragraphs 4.c. and 11.g. hereof and the express representations and warranties of Lessor set forth in this Lease. Lessee further acknowledges and agrees, as of the date of this Lease, the date the Purchase Option is exercised, and as of the Close of Escrow, that no representations or warranties of any kind, express or implied, have been made by Lessor or any of its officers, agents, employees, representatives or affiliates with respect to any matter, fact or issue in regard to the Premises or the transaction contemplated pursuant to this Premises, except for the representations and warranties expressly set forth in this Lease.

g. Hazardous Waste.

i. Lessee shall not engage in any activity on the Premises that violates any federal, state or local laws, regulations, guidelines, codes, or ordinances (individually and collectively, "Laws") pertaining to Hazardous Material, and shall promptly, at Lessee's expense, take all investigatory and/or remedial action required or ordered for cleanup of any contamination of the Premises created or caused by Lessee, or which occurred at any time after the Close of Escrow but excluding such occurrence that results from Hazardous Material in, on, under or about the Premises prior to the Close of Escrow or results from any activities of the Lessor, Lessor's employees, agents or contractors that cause Hazardous Materials to be in, on, or under the Premises after the Close of Escrow. Lessee shall indemnify, protect, defend and hold Lessor, its directors, officers, employees and agents and its parent and subsidiary corporations harmless from any and all costs, claims, expenses, penalties and attorneys' fees arising out of any matter within the purview of this Paragraph 11.g.i. including, but not limited to, the investigation, remediation and/or abatement of any contamination therein involved.

ii. Lessor shall be responsible and promptly pay for all costs incurred by Lessor and all reasonable costs incurred by Lessee in complying with

any order, ruling or other requirement of any court or governmental body or agency having jurisdiction over the Premises requiring Lessor or Lessee to comply with the Laws which relate to Hazardous Material in, on, or under the Premises including, without limitation, the cost of any required or necessary repair, remediation, removal, cleanup or detoxification, including but not limited to the preparation of any remedial investigation, feasibility study, closure or other required plans, attorneys' fees and costs. Notwithstanding anything contained in the foregoing to the contrary, Lessor shall not be, and Lessee shall be, responsible for any such cost relating to Hazardous Material in, on or under the Premises (A) if Lessee has such responsibility under the provisions of Paragraph 11.g hereof; or (B) if any such cost was caused by or arose out of Lessee's use of the Premises, or which occurs after the Close of Escrow if (1) such occurrence does not result from Hazardous Material in, on, or under the Premises prior to the Close of Escrow, (2) such occurrence does not result from the migration of Bermite Property Migrating Hazardous Material from the Bermite Property (other than the Premises) at any time before or after the Close of Escrow, and (3) such occurrence does not result from any activities of the Lessor, Lessor's employees, agents or contractors that cause Hazardous Materials to be in, on, or under the Premises after the Close of Escrow.

iii. Lessor shall indemnify, protect, defend and hold Lessee, its directors, officers, employees and agents harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) (collectively "Liabilities") caused by or arising out of (A) the breach of any representation, warranty or covenant of Lessor contained in this Paragraph 11.g. or (B) the presence of Hazardous Material in, on, or under the Premises, excluding, however, any such Liabilities relating to Hazardous Material in, on, or under the Premises caused by Lessee's use of the Premises, or which occurs after the Close of Escrow or (C) any such Hazardous Material with respect to which any court or governmental body or agency having jurisdiction over the Premises holds Lessor or Lessee responsible for or otherwise requires Lessor or Lessee to undertake any repair, cleanup, detoxification or other remedial action. Notwithstanding anything contained in the foregoing to the contrary, Lessor shall have no indemnification or other obligation under this Paragraph 11.g. with respect to (1) an occurrence of Hazardous Material on, in or under all or any portion of the Premises which was leased to Lessee pursuant to this Lease if Lessor has no

indemnification or other obligation under Paragraph 11.g. hereof with respect to such occurrence of Hazardous Material or (2) the occurrence of Hazardous Material was caused by or arose out of Lessee's use of the Premises, or occurs after the Close of Escrow unless (A) such occurrence results from Hazardous Material in, on, or under the Premises prior to the Close of Escrow, (B) such occurrence results from the migration of Bermite Property Migrating Hazardous Material from the Bermite Property (other than Premises) to the Premises at any time before or after the Close of Escrow, or (C) such occurrence results from any activities of the Lessor, Lessor's employees, agents or contractors that cause Hazardous Materials to be in, on, or under the Premises after the Close of Escrow.

iv. To the extent commercially practical, Lessor shall take all action as is necessary to enforce the requirements contained in any leases or occupancy agreements between Lessor and third parties with respect to the use or occupancy of land immediately adjacent to the Premises and located within the Bermite Property, which relate to the handling, transportation, storage, treatment, use or disposition of Hazardous Material by such third parties.

v. Without limiting the generality of this Indemnity, this Indemnity is intended to operate as an agreement pursuant to Section 107(e) of CERCLA, 42 U.S.C. Section 9607(e) and California Health and Safety Code Section 25364 to defend, protect, hold harmless and indemnify Lessee for any liability pursuant to such sections.

vi. Nothing contained in this Paragraph 11.g. shall be deemed to supersede the provisions of Paragraph 4 hereof or vice versa and each such paragraph shall continue to apply in accordance with its terms. The provisions of Paragraphs 4 and 11.g. hereof shall survive the Close of Escrow and the delivery of conveyance instruments.

h. Assumption. Lessee shall be deemed at the Close of Escrow to have assumed all obligations and liabilities arising out of or in any way connected with the Premises, except for the applicable obligations of Lessor under Paragraphs 4 and 11.g. hereof.

i. Title.

108

i. Preliminary Title Report. Prior to the execution of the first lease executed by the parties hereto on April 21, 1992 ("First Lease"), Lessor delivered to Lessee a current Preliminary Title Report for the Premises, dated October 29, 1991, issued by Chicago Title Company.

ii. Exceptions to Title at Closing. Subject to the provisions of this Lease, Lessor shall convey the Premises to Lessee on Escrow Holder's standard form California Grant Deed ("Grant Deed"), subject to the following exceptions ("Title Exceptions"):

(1) All non-monetary exceptions set forth in the Preliminary Title Report applicable to the Premises;

(2) Any other exceptions approved or caused or created by Lessee;

(3) Non-delinquent real property taxes; and any other taxes and liens, if such taxes and tax liens were the responsibility of Lessee under the Lease;

(4) Assessments and bonds;

(5) Any other non-monetary exceptions to title which do not materially and adversely affect the use of the Premises for its use as a commuter rail station;

(6) The printed exceptions set forth in the Title Policy (as hereinafter defined); and

(7) The rights of tenants and others in possession, other than those claiming rights of possession through a voluntary grant from Lessor.

iii. Title Insurance. At the Close of Escrow, Lessor shall cause Chicago Title Company, or another reputable title company of Lessee's choice ("Title Company") to issue to Lessee as the insured, a California Land Title Association policy of title insurance ("Title Policy") with liability equal to the

Purchase Price, showing fee simple title to the Premises vested in Lessee, subject only to the Title Exceptions. Lessee shall have the right to order an ALTA Policy of Title Insurance for the Premises by giving written notice to Escrow Holder and by depositing with Escrow Holder the premium cost of the ALTA Policy in excess of the premium for the Title Policy. If Lessee wishes to obtain an ALTA Policy of Title Insurance, Lessee shall pay all costs and expenses for or in connection with the preparation of the ALTA policy, including, without limitation, all costs, fees and expenses for the preparation of an ALTA survey.

j. Escrow.

i. Opening of Escrow. The purchase and sale of the Premises shall be consummated through escrow with County Oak Escrow, 23822 West Valencia Boulevard, City of Santa Clarita, California ("Escrow Holder"). Lessor and Lessee shall open escrow within thirty (30) days after Lessee exercises its Purchase Option pursuant to Paragraph 11.c. hereof. Escrow shall be deemed open when Lessee and Lessor have deposited a fully executed copy of this Lease into escrow, together with a copy of the Exercise Notice. This Lease, together with Escrow Holder's general Escrow Conditions shall constitute escrow instructions to Escrow Holder. Escrow Holder shall notify the parties hereto in writing of the date upon which this Escrow was opened and shall deliver a certified copy of the Escrow Instructions to each party.

ii. Close of Escrow. The date of the Close of Escrow ("Close of Escrow") shall be deemed to be the date that the Grant Deed conveying the Real Property to Lessee is recorded with the Los Angeles County Recorder. Escrow shall close not later than a date ("Final Closing Date") which is ninety (90) days after the date on which Lessee exercises its Purchase Option pursuant to Paragraph 11.c. hereof. Notwithstanding anything contained in the foregoing to the contrary, the Close of Escrow may be postponed by written notice from either party hereto for a period up to forty-five (45) days after the Final Closing Date, if either party is unable to consummate the purchase and sale of the Premises by the Final Closing Date due to forces reasonably beyond the control of such party, provided however that neither the financial condition of the party, nor the availability of funds, nor general economic conditions, nor any political procedure, process or requirement of the Lessee shall constitute a force beyond a party's control, and

provided further that the Close of Escrow shall take place as soon as possible after the Final Closing Date (but in no event later than forty-five (45) days after the Final Closing Date.)

iii. Deposits for Closing. In preparation for the Close of Escrow, the parties hereto shall deposit the following into Escrow:

(1) Deposits by Lessee. Lessee shall deposit:

(a) At least one (1) business day prior to the Close of Escrow, the Purchase Price.

(b) At least one (1) business day prior to the Close of Escrow, such additional funds as are necessary to pay Lessee's share of prorations and closing costs for this Escrow.

(2) Deposit by Lessor. On or before one (1) business day before the Close of Escrow, Lessor shall deposit a Grant Deed, on Escrow Holder's customary form, conveying title to the Premises to Lessee, executed by Lessor and acknowledged in recordable form.

iv. Closing Costs. The costs of the Title Policy to be issued to Lessee shall be paid by Lessor. (The additional costs of an ALTA policy shall be governed by Paragraph 13.i.iii.) Documentary transfer taxes and fees shall be borne by Lessee. The escrow fee of the Escrow Holder shall be shared equally by Lessor and Lessee. Each party hereto shall pay its own legal fees and expenses (except as otherwise expressly provided in this Lease) and any other costs which the party incurs. All other costs and expenses shall be allocated among Lessor and Lessee in accordance with customary practice in Los Angeles County, as determined by Escrow Holder.

v. Prorations. As of the Close of Escrow, Lessor and Lessee shall prorate rent hereunder and current non-delinquent real property taxes.

vi. Delivery of Cash. Escrow Holder shall deliver to Lessor

the cash due Lessor on the Close of Escrow (less Lessor's share of Escrow closing costs and prorations).

k. Damage and Destruction of Property; Eminent Domain. If the Premises or the improvements situated on the Premises are destroyed or damaged prior to the Close of Escrow, and after the exercise of the Purchase Option, Lessee and Lessor shall remain obligated to consummate the purchase and sale of the Premises in accordance with the provisions of this Lease. In the event of a Partial Taking (as hereinafter defined), Lessee and Lessor shall remain obligated to consummate the purchase and sale of the Premises in accordance with the provisions of this Lease (subject, of course, to the physical impact of such Partial Taking on such matters as the legal description) provided Lessor shall assign all amounts to which it is entitled, with respect to the Premises, by reason of such eminent domain, to Lessee concurrently with the Close of Escrow. For purposes hereof, "Partial Taking" shall mean the taking of less than the entire Premises by eminent domain.

l. Additional Representations and Warranties.

i. Representations and Warranties of Lessor. Lessor represents and warrants to Lessee the following, as of the date hereof and (unless specified otherwise) as of the Close of Escrow:

(1) The execution and delivery of this Lease is, and the execution and delivery of all documents required of Lessor hereunder when delivered will be, duly authorized.

(2) The individuals executing this Lease on behalf of Lessor have the right, power, legal capacity and authority to enter into this Lease on behalf of Lessor and to execute all other documents and take all other actions that may be necessary to perform all of Lessor's obligations hereunder.

ii. Representations and Warranties of Lessee. Lessee represents and warrants to Lessor the following, as of the date hereof, the exercise of the Purchase Option, and the Close of Escrow:

(1) The execution and delivery of this Lease, and the

execution and delivery of the Exercise Notice and the execution and delivery of all documents required of Lessee under this Lease and under this Paragraph 11, when delivered by Lessee will be, duly authorized.

(2) The individuals executing this Lease and the Exercise Notice and all other documents to be executed on behalf of Lessee pursuant to this Lease (including the provisions of this Paragraph 11) have the right, power, legal capacity and authority to enter into this Lease on behalf of Lessee and to execute all other documents (including, without limitation, the Exercise Notice) and take all other actions that may be necessary to perform all of Lessee's obligations under this Lease (including, without limitation, the obligations of Lessee under this Paragraph 11).

m. Conditions Precedent.

i. Conditions Precedent of Lessee. The obligation of Lessee to complete the purchase of the Premises and to close under this Purchase Option is subject to the satisfaction of each of the following conditions (any one of which may be waived in writing by Lessee):

(1) Lessor shall perform and comply with all agreements, provisions and conditions required by this Paragraph 11 to be performed or complied with by Lessor prior to or at the time of the Close of Escrow

(2) The title company shall be ready, willing and able to issue the Title Policy.

(3) The transactions contemplated under this Paragraph 11 comply with the California Subdivision Map Act, and all rules and regulations promulgated thereunder.

If the above described conditions are not satisfied as of the Close of Escrow, Lessee, at Lessee's option, may terminate this Lease and the Escrow, without further liability of Lessee under this Paragraph 11 and without any waiver of any rights or remedies to which Lessee is entitled.

ii. Conditions Precedent of Lessor. The obligation of Lessor to complete the sale of the Premises and to close under this Purchase Option is subject to the following conditions (any one of which may be waived in writing by Lessor):

(1) Lessee shall have performed and complied with all agreements, covenants and conditions required by this Lease to be performed or complied with Lessee prior to or at the time of the Close of Escrow.

(2) The transactions contemplated under this Paragraph 11 comply with the California Subdivision Map Act, and all rules and regulations promulgated thereunder.

If the above described conditions have not been satisfied as of the Close of Escrow, Lessor, at Lessor's option, may terminate this Purchase Option, the Lease, and this Escrow, without further liability of Lessor and without any waiver of any rights or remedies to which Lessor is entitled.

12. Brokers. Each party represents to the other that it has not had any contact or dealings regarding the Premises, the Leasable Property, the Premises, or the Bermite Property, or any communication in connection with the subject matter of the transactions contained in or contemplated under this Lease, through any real estate broker or other person who claim a right to a commission or finder's fee. If any broker or finder makes a claim for a commission or finder's fee based on a contract, dealings, or communications, the party through whom the broker or finder makes its claim shall indemnify, defend with counsel of the indemnified party's choice, and hold the indemnified party harmless from any and all expenses, losses, damages, liabilities and claims, including, without limitation, the indemnified party's attorneys' fees arising out of the broker's or finder's claim.

13. Notice. Except as otherwise specifically set forth in this Lease, all notices, elections, approvals, disapprovals, consents, and communications required or permitted under this Lease shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested. If mailed, each notice or communication shall be deposited in the United States mail, in Los Angeles

County, California, and shall be deemed received within two (2) business days after deposit in the United States mail, postage prepaid, addressed to the person to receive such notice or communication at the following address:

To Lessor:	Whittaker Porta Bella Development, Inc. 1955 N. Surveyor Avenue Simi Valley, CA 93063-3386 Attention: Office of General Counsel
With a Copy To:	Northholme Partners 330 Washington Blvd., 4th Floor Marina Del Rey, CA 90292 Attention: Mr. Sam Veltri
With a Copy To:	Pregerson, Richman & Luna 12424 Wilshire Blvd., Suite 900 Los Angeles, CA 90025 Attention: James D. Richman
To Lessee:	City of Santa Clarita 25663 West Avenue Stanford Santa Clarita, CA 91355 Attention: City Manager
With a Copy To:	Burke, Williams & Sorensen 611 W. Sixth Street 25th Floor Los Angeles, CA 90017 Attention: Carl Newton, Esq.

14. Defaults. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Lessee:

115

a. The vacating or abandonment of the Premises by Lessee.

b. The failure by Lessee to make any payment of rent or any other payment required to be made by Lessee hereunder, as and when due, where such failure continues for a period of ten (10) days after written notice thereof to Lessee.

c. The failure by Lessee to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee, other than described in paragraph 14.b. above, where such failure shall continue for a period of thirty (30) days after written notice thereof from Lessor to Lessee; provided, however, that if the nature of Lessee's default is such that more than thirty (30) days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee commenced such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.

15. Remedies. In the event of any such material default or breach by Lessee, Lessor may at any time thereafter, with or without notice or demand and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such default or breach:

a. Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Premises to Lessor. In such event Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorney's fees, and any real estate commission actually paid; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Lessee proves could be reasonably avoided.

b. Maintain Lessee's right to possession in which case this Lease shall continue in effect whether or not Lessee shall have abandoned the Premises. In such event, Lessor shall be entitled to enforce all of Lessor's rights and remedies under this Lease, including the right to recover the rent as it becomes due

96 - 535033

hereunder.

c. Pursue any other remedy now or hereafter available to Lessor under all applicable laws. Unpaid installments of rent and other unpaid monetary obligations of Lessee under the terms of this Lease shall bear interest from the date due at the maximum rate then allowable by law.

16. Default by Lessor. Lessor shall not be in default unless Lessor fails to perform obligations required of Lessor under this Lease within a reasonable time but in no event later than thirty (30) days after written notice by Lessee to Lessor and to the holder of any mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Lessee in writing, specifying wherein Lessor has failed to perform such obligation; provided, however, that if the nature of Lessor's obligation is such that more than thirty (30) days are required for performance then Lessor shall not be in default if Lessor commences performance within such 30-day period and thereafter diligently prosecutes the same to completion.

17. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. Except as so provided, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the proportion that the area of the land within the Premises taken bears to the total land area in the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold or for the taking of the fee, or as severance damages. The parties hereto waive the provisions of California Code of Civil Procedure 1265.130.

18. Estoppel Certificate.

a. Lessee shall at any time upon not less than thirty (30) days' prior written notice from Lessor execute, acknowledge and deliver to Lessor a statement

96 535033

117

in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises.

b. At Lessor's option, Lessee's failure to deliver such statement within such time shall be a material breach of this Lease and shall be conclusive upon Lessee (i) that this Lease is in full force and effect, without modification except as may be represented by Lessor, (ii) that there are no uncured defaults in Lessor's performance, and (iii) that not more than one year's rent has been paid in advance.

19. Lessor's Liability. The term "Lessor" as used in this Lease shall mean only the owner or owners of the fee title of the Premises, at the time in question. In the event of any transfer of such title, Lessor (including any successors in interest of the Lessor named herein) shall be relieved of all liability for or arising out of the obligations of Lessor to be performed from and after the date of such transfer, except for any liability of the Lessor arising out of Paragraphs 4.c. and 11.g. Subject to the foregoing, the obligations contained in this Lease to be performed by Lessor shall be binding on Lessor's successors and assigns, only during their respective periods of ownership.

20. Severability. The invalidity of any provision of this Lease as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

21. Interest on Past-due Obligations. Except as expressly herein provided, any amount due to Lessor not paid when due shall bear interest at the maximum rate then allowable by law from the date due. Payment of such interest shall not excuse or cure any default by Lessee under this Lease.

22. Time of Essence. Time is of the essence.

96 535033

23. Additional Rent. Any monetary obligations of Lessee to Lessor under the terms of this Lease shall be deemed to be rent.

24. Incorporation of Prior Agreements; Amendments. This Lease contains all agreements of the parties with respect to any matter mentioned herein. No prior agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only if signed by all parties in interest at the time of the modification. Except as otherwise stated in this Lease, Lessee hereby acknowledges that neither Lessor nor any employees or agents or representatives of Lessor has made any oral or written warranties or representations to Lessee with respect to the condition or use by Lessee of the Premises and Lessee acknowledges that Lessee assumes all responsibility for the legal use and adaptability of the Premises and the compliance thereof with all applicable laws and regulations in effect during the term of this Lease except as otherwise specifically stated in this Lease.

25. Waivers. No waiver by Lessor of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Lessee of the same or any other provision. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to or approval of any subsequent act by Lessee. The acceptance of rent hereunder by Lessor shall not be a waiver of any preceding breach by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

26. Holding Over. If Lessee, with Lessor's consent, remains in possession of the Premises or any part thereof after the expiration of the term hereof, such occupancy shall be a tenancy from month to month upon all the provisions of this Lease pertaining to the obligations of Lessee, but all options, if any, granted under the terms of this Lease shall be deemed terminated and be of no further effect during said month to month tenancy.

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

28. Covenants and Conditions. Each provision of this Lease performable by Lessee shall be deemed both a covenant and a condition.

29. Binding Effect; Choice of Law. Subject to any provisions hereof restricting assignment or subletting by Lessee and subject to the provisions of Paragraph 36, this Lease shall bind the parties, their personal representatives, successors and assigns. This Lease shall be governed by, and construed in accordance with, the laws of the State of California.

30. Subordination.

a. This Lease, at Lessor's option, shall be subordinate to any ground lease, mortgage, deed of trust, or any other hypothecation or security hereafter placed upon the real property of which the Premises are a part and to any and all advances made on the security thereof and to all renewals, modifications, consolidations, replacements and extensions thereof, provided that, concurrently with such subordination, the holder of each such encumbrance to which the Lease is being subordinated enters into a commercially reasonable nondisturbance agreement with Lessee pursuant to which Lessee's rights under this Lease (including, without limitation, the Options) shall be recognized so long as Lessee is not in default, pays rent, and otherwise observes and performs its obligations under this Lease and such holder agrees to terminate its interest in the Premises upon its purchase by Lessee pursuant to this Lease. Notwithstanding such subordination, Lessee's right to quiet possession of the Premises and its Options shall not be disturbed if Lessee is not in default and so long as Lessee shall pay the rent and observe and perform all of the provisions of this Lease. If any mortgagee, trustee or ground lessor shall elect to have this Lease prior to the lien of its mortgage, deed of trust or ground lease, and shall give written notice thereof to Lessee, this Lease shall be deemed prior to such mortgage, deed of trust, or ground lease, whether this Lease is dated prior or subsequent to the date of said mortgage, deed of trust or ground lease or the date of recording thereof.

b. Subject to the provisions of Paragraph 30.a., Lessee agrees to execute and deliver any documents reasonably required to effectuate an attornment or a subordination of this Lease, or to make this Lease prior to the lien of any mortgage, deed of trust or ground lease, as required pursuant to Paragraph 30.a.

above. Lessee's failure to execute or deliver such documents within 10 days after written demand shall constitute a material default by Lessee hereunder. If Lessee fails to execute such documents, then Lessor shall be entitled to execute such documents on behalf of Lessee as Lessee's attorney-in-fact. Lessee does hereby make, constitute and irrevocably appoint Lessor as Lessee's attorney-in-fact and in Lessee's name, place and stead, to execute such documents in accordance with this Paragraph 30.b.

31. Attorney's Fees. If either party hereto brings an action to enforce the terms hereof or to declare rights hereunder or any other action at law or in equity with respect to this Lease, the prevailing party in any such action shall be entitled to its reasonable attorney's fees to be paid by the losing party as fixed by the court.

32. Lessor's Access. Lessor and Lessor's agents shall have the right to enter the Premises at reasonable times for the purpose of inspecting the same, and showing the same to prospective purchasers, lenders, lessees, and others with whom Lessor has or may have business dealings.

33. Merger. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, or a termination by Lessor, shall not work a merger, and shall, at the option of Lessor, terminate all or any existing subtenancies or may, at the option of Lessor, operate as an assignment to Lessor of any or all of such subtenancies.

34. Consents. Subject to the express provisions, standards, and requirements set forth in this Lease, wherever in this Lease the consent of one party is required to an act of the other party, such consent shall not be unreasonably withheld.

35. Quiet Possession. Upon Lessee paying the rent for the Premises and observing and performing all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession of the Premises for the entire term hereof subject to all of the provisions of this Lease. The individuals executing this Lease on behalf of Lessor represent and warrant to Lessee that they are fully authorized and legally capable

96 535033

of executing this Lease on behalf of Lessor and that such execution is binding upon all parties holding an ownership interest in the Premises.

36. Options.

a. Definition. As used in this paragraph the word "Options" has the following meaning:

i. the right or option to purchase the Premises or a portion thereof pursuant to Paragraph 11 hereof.

b. Options Personal. Each Option granted to Lessee in this Lease is personal to Lessee and may not be exercised or be assigned, voluntarily or involuntarily, by or to any person or entity other than Lessee, provided, however, the Option may be exercised by or assigned to any Lessee Affiliate as defined in Paragraph 10.b. of this Lease. The Options herein granted to Lessee are not assignable separate and apart from this Lease.

c. Effect of Default on Options.

i. Lessee shall have no right to exercise an Option, notwithstanding any provision in the grant of any Option to the contrary, (A) during the time commencing from the date Lessor gives to Lessee a notice of default pursuant to Paragraph 14.c. and continuing until the default alleged in said notice of default is cured, or (B) during the period of time commencing on the day after a monetary obligation to Lessor is due from Lessee and unpaid (without any necessity for notice thereof to Lessee) and continuing until the obligation is paid.

ii. Lessee's inability to exercise an Option by reason of the provisions of this Paragraph 36 shall not extend or increase the period of time within which an Option may be exercised.

iii. All rights of Lessee under the provisions of an Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and during the term of this

Lease, (1) Lessee fails to pay to Lessor a monetary obligation of Lessee for a period of 10 days after such obligation becomes due (without any necessity of Lessor to give notice thereof to Lessee), or (2) Lessee fails to commence to cure a default specified in Paragraph 14.c. within 30 days after the date that Lessor gives notice to Lessee of such default and/or Lessee fails thereafter to diligently prosecute said cure to completion.

iv. All Options contained in this Lease terminate and shall have no further force or effect upon the expiration of the Term or any termination of this Lease.

37. Easements.

a. For the Benefit of Lessee. Lessee shall be entitled to use the nonexclusive access easements granted pursuant to the First Lease during the Term and, after its purchase by Lessee, for the benefit of the Premises, provided that such use shall not unreasonably interfere with the use and development of the property which is burdened by such easement. Lessee shall construct, at its sole cost and expense, such improvements as Lessee shall require for the use of the access easements, subject to the approval of Lessor, which approval shall not be unreasonably withheld. Lessor shall be entitled to relocate such easements at its sole cost and expense, upon written notice to Lessee, in which case Lessee shall execute, have acknowledged in recordable form, and deliver such instruments as Lessor shall reasonably request to effect such relocation of the easements. The access easements described in this Paragraph has been conveyed by an instrument, executed by the parties hereto, entitled Access Easement Agreement, dated April 21, 1992. If Lessee does not exercise the Purchase Option pursuant to this Agreement, then Lessee shall execute, have acknowledged in recordable form, and deliver such instruments as Lessor shall reasonably request to expunge the easements granted hereby and thereby.

b. For the Benefit of Lessor. Lessor reserves to itself the right, from time to time, to grant such easements, rights and dedications that Lessor deems necessary or desirable, and to cause the recordation of parcel and other maps and restrictions, so long as such easements, rights, dedications, maps and restrictions do not unreasonably interfere with the use of the Premises by Lessee as a commuter rail

station. Lessee shall sign any of the aforementioned documents upon request of Lessor and failure to do so shall constitute a material breach of this Lease. In addition, after the Close of Escrow and for a period of twenty (20) years from the date of the Close of Escrow, Lessee, as the owner of the Premises shall grant from time to time, upon the written request of Lessor and any successor in interest of Lessor in the Bermite Property (or any portion thereof) any easements and rights that are reasonably necessary for or in connection with the development of the Bermite Property (or any portion thereof), so long as such easements and rights do not unreasonably interfere with the use of the Premises by Lessee as a commuter rail station. This Paragraph 37 shall survive the Close of Escrow and shall be binding upon Lessee's successors in interest in the Property.

38. Memorandum. Concurrently herewith, the parties hereto shall execute, have acknowledged in recordable form, and shall deliver to Lessee a memorandum of this Lease, in the same-form and substance as Exhibit D attached hereto ("Memorandum"), and Lessee shall execute, have acknowledged in recordable form, and shall irrevocably deliver to Escrow Holder, the quitclaim deed in the same form and substance as Exhibit E attached hereto ("Quitclaim") and a Purchase Option Premises Release, in the same form and substance as Exhibit F attached hereto ("Option Release"). Lessee shall have the right to record the Memorandum at any time prior to the expiration or termination of this Lease and the Options. Lessee shall cause Escrow Holder to record such Quitclaim and shall take any other action that Lessor reasonably requests to expunge the Memorandum as a matter of record and to relinquish its interest in the Premises promptly upon the expiration or termination of this Lease. In addition, Lessee shall execute, acknowledge, deliver and have recorded in the Official Records of Los Angeles County, the Option Release, and shall take any other action that Lessor reasonably requests to expunge the Purchase Option as a matter of record and to relinquish its Purchase Option rights, promptly upon the expiration or termination of the Purchase Option. Finally, Lessee shall execute, acknowledge, deliver and record in the Official Records of Los Angeles County any other instruments that Lessor may reasonably request to reflect the specific portion of the Premises to which the Purchase Option relates when that specific portion is ascertained pursuant to the provisions of this Lease.

39. Termination of Previous Lease. As of April 21, 1996, the First Lease is being terminated including any options contained therein, provided that nothing

96 535033

contained herein shall be construed to relieve either party from their respective obligations under the First lease as those obligations applied to such party through April 21, 1996. This Second Commuter Rail Station Site Lease with Option to Purchase shall govern all the rights and obligations of the parties with respect to the Premises from the commencement of the Term.

IN WITNESS WHEREOF, the parties have executed this Lease on the day and year first above written.

WHITTAKER PORTA BELLA DEVELOPMENT, INC.

By:________________________

Its:________________________

CITY OF SANTA CLARITA

By:________________________

Its:________________________

Whittaker Corporation, the parent of Lessor, hereby agrees to indemnify, hold harmless and defend Lessee to the same extent that Lessor so indemnifies, holds harmless, and defends Lessee under this Agreement.

WHITTAKER CORPORATION

By:________________________

Its:________________________

EXHIBIT A

Bermite Property

703.93 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 34 DEGREES 56 MINUTES 05 SECONDS EAST 703.93 FEET; THENCE SOUTH 25 DEGREES 23 MINUTES 45 SECONDS WEST 433.40 FEET; THENCE SOUTH 89 DEGREES 59 MINUTES 00 SECONDS EAST 308.40 FEET; THENCE NORTH 25 DEGREES 21 MINUTES 00 SECONDS EAST 570 FEET; THENCE NORTH 34 DEGREES 58 MINUTES 50 SECONDS WEST 703.93 FEET; THENCE NORTH 35 DEGREES 40 MINUTES 25 SECONDS WEST, 1,018 FEET MORE OR LESS, TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF THE SOUTHERN PACIFIC RAILROAD; THENCE SOUTHWESTERLY ALONG THE SOUTHEASTERLY RIGHT OF WAY LINE OF THE SOUTHERN PACIFIC RAILROAD TO A POINT WHICH BEARS NORTH 35 DEGREES 37 MINUTES 40 SECONDS WEST, FROM THE TRUE POINT OF BEGINNING; THENCE SOUTH 35 DEGREES 37 MINUTES 40 SECONDS EAST, 878.59 FEET MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES LYING UNDER AND BENEATH SAID LAND, TOGETHER WITH THE RIGHT TO ENTER UPON SAID REAL PROPERTY TO EXPLORE, DRILL FOR, AND EXTRACT SAME, INCLUDING THE RIGHT TO DRILL FOR, AND USE WATER NECESSARY IN CONNECTION WITH SAID OPERATIONS, AND RIGHT OF INGRESS AND EGRESS TO, OVER, ACROSS, AND UPON SAID REAL PROPERTY, AND THE RIGHT TO ERECT, AND USE SUCH TANKS, MACHINERY, PIPE LINES AND BUILDINGS, AS MAY BE NECESSARY IN CONNECTION WITH SAID OPERATIONS, AS RESERVED IN THE DEED FROM JULIUS R. SCHWARTZ, AND WIFE, RECORDED JULY 23, 1951 IN BOOK 36817 PAGE 287, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3:

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST WESTERLY CORNER OF THE PARCEL OF LAND DESCRIBED IN THE DEED TO LOS ANGELES POWDER COMPANY, RECORDED IN BOOK 43 PAGE 73, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 86 DEGREES 12 MINUTES 40 SECONDS WEST, 2,925.28 FEET TO THE EASTERLY LINE OF TRACT NO. 1801, AS PER MAP RECORDED IN BOOK 21 PAGES 158 AND 159 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTHERLY ALONG SAID EASTERLY LINE TO THE NORTHERLY LINE OF LOT 60, OF THE ST. JOHN SUBDIVISION, AS PER MAP RECORDED IN BOOK 196 PAGE 304, OF MISCELLANOEUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE EASTERLY ALONG SAID NORTHERLY LINE TO THE SOUTHWESTERLY LINE OF SAID PARCEL OF LAND, DESCRIBED IN THE DEED RECORDED IN BOOK 43 PAGE 73, OFFICIAL RECORDS; THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 60 DEGREES 06 MINUTES WEST, TO AN ANGLE POINT THEREIN; THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 41 DEGREES 52 MINUTES WEST 234.34 FEET, AND NORTH 19 DEGREES 19 MINUTES 40 SECONDS WEST, 343.03 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDIED 3 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 852, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT A

Bermite Property

PARCEL 4:

PART OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND PART OF ST. JOHN'S SUBDIVISION OF THE RANCHO SAN FRANCISCO, AS PER MAP RECORDED IN BOOK 196 PAGE 306, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT DISTANT DISTANT NORTH 9 DEGREES 11 MINUTES WEST, 408.50 FEET AND NORTH 86 DEGREES 12 MINUTES 40 SECONDS EAST, 2,925.58 FEET FROM THE SOUTHEAST CORNER OF BLOCK 15 OF TRACT NO. 1801, AS PER MAP RECORDED IN BOOK 21 PAGES 158 AND 159 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 19 DEGREES 19 MINUTES 40 SECONDS EAST, 343.03 FEET TO A POINT ON THE NORTHERLY LINE OF A ROAD; THENCE ALONG SAID NORTHERLY LINE SOUTH 41 DEGREES 52 MINUTES EAST, 234.34 FEET; THENCE ALONG SAID NORTHERLY LINE SOUTH 60 DEGREES 06 MINUTES 06 SECONDS EAST 727.59 FEET; THENCE ALONG SAID NORTHERLY LINE 69 DEGREES 29 MINUTES EAST 1,653.48 FEET; THENCE ALONG SAID NORTHERLY LINE NORTH 86 DEGREES 51 MINUTES EAST 153.33 FEET; THENCE NORTH 25 DEGREES 21 MINUTES EAST 1,288.62 FEET; THENCE NORTH 34 DEGREES 58 MINUTES 50 SECONDS WEST 703.93 FEET; THENCE NORTH 35 DEGREES 40 MINUTES 25 SECONDS WEST, 894.02 FEET, MORE OR LESS, TO A POINT ON THE SOUTHERLY LINE OF THE RIGHT OF WAY OF THE SOUTHERN PACIFIC RAILROAD, THENCE FOLLOWING THE SOUTHERLY LINE OF SAID RIGHT OF WAY TO A POINT NORTHWESTERLY 476.48 FEET FROM THE POINT OF INTERSECTION OF THE SOUTHWESTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY, AND A RADIAL LINE THROUGH THE SOUTHEASTERLY END OF A SINGLE BENT CATTLE PASS 15 FEET LONG, AND DESCRIBED AS NO. 448-E, IN THE DEED FROM THE NEWHALL LAND AND FARMING COMPANY, A CORPORATION, TO R. A. BAKER, RECORDED IN BOOK 4055 PAGE 131, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BENEATH THE SAID SOUTHERLY PACIFIC RAILROAD; THENCE FROM SAID POINT, SOUTH 51 DEGREES 52 MINUTES WEST, 839.90 FEET TO THE SOUTHEASTERLY LINE OF THAT CERTAIN RESERVOIR WHICH WAS RESERVED, AND EXCEPTED IN DEED RECORDED IN BOOK 4055 PAGE 131, OFFICIAL RECORDS ABOVE; THENCE SOUTH 8 DEGREES 29 MINUTES 50 SECONDS WEST 173.49 FEET, SOUTH 80 DEGREES 35 MINUTES 10 SECONDS WEST 91.10 FEET, SOUTH 57 DEGREES 54 MINUTES 10 SECONDS WEST 232.35 FEET, ALONG SAID SOUTHEASTERLY BOUNDARY LINE OF AFORESAID RESERVOIR; THENCE SOUTH 8 DEGREES 00 MINUTES 10 SECONDS WEST, TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF LOT 62, OF ST. JOHN SUBDIVISION, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 196 PAGE 304 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF SAID LOT 62, WITH THE SOUTHERLY LINE OF THE LAND DESCRIBED IN DEED TO THE LOS ANGELES POWDER COMPANY, RECORDED IN BOOK 43 PAGE 73, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTHERLY ALONG SAID WEST LINE TO THE NORTH LINE OF TRACT NO. 1079, AS PER MAP RECORDED IN BOOK 18 PAGE 155 OF MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE EAST ALONG THE NORTH LINE OF SAID TRACT NO. 1079, TO THE EAST LINE OF THE RANCHO SAN FRANCISCO; THENCE NORTHERLY ALONG SAID EAST LINE TO THE NORTH LINE OF SAID LOT 62; THENCE WEST ALONG THE LAST MENTIONED NORTH LINE TO THE SOUTHEAST LINE OF THE LAND DESCRIBED IN SAID DEED, RECORDED IN BOOK 43 PAGE 73,

EXHIBIT A

Bermite Property

OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTHWESTERLY AND WESTERLY ALONG THE SOUTHEASTERLY AND SOUTHERLY BOUNDARY OF THE LAND DESCRIBED IN SAID DEED TO THE POINT OF BEGINNING.

EXCEPT THE WEST 2640 FEET OF THE SOUTH 3,300 FEET THEREOF.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED AS BEGINNING AT A POINT ON THE NORTH LINE OF LOT "A", OF TRACT NO. 1079, AS PER MAP RECORDED IN BOOK 18 PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DISTANT EASTERLY THEREON 2,640 FEET FROM ITS INTERSECTION WITH THE WEST LINE OF SAID LOT 62; THENCE NORTHERLY AND PARALLEL WITH SAID WEST LINE, 2,617 FEET MORE OR LESS, TO THE NORTHERLY LINE OF THE SOUTH 160 ACRES OF THAT PORTION OF SAID LOT 62, WHICH IS BOUNDED ON THE SOUTH BY SAID NORTH LINE OF SAID LOT "A", AND ON THE WEST BY A LINE PARALLEL WITH THE WEST LINE OF SAID LOT 62, WHICH PASSES THROUGH A POINT IN SAID NORTH LINE OF SAID LOT "A", DISTANT EASTERLY ALONG SAID NORTH LINE 2,640 FEET FROM SAID WEST LINE OF LOT 62; THENCE EASTERLY ALONG THE NORTH LINE OF SAID SOUTH 160 ACRES, 2,706 FEET MORE OR LESS, TO THE EAST LINE OF SAID LOT 62; THENCE SOUTHERLY ALONG THE EAST LINE, 2,618 FEET MORE OR LESS, TO THE NORTH LINE OF SAID LOT "A"; THENCE WEST ALONG SAID NORTH LINE 2,640 FEET MORE OR LESS, TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THAT PORTION INCLUDED WITHIN THE STRIP OF LAND 100 FEET WIDE, DESCRIBED IN PARCEL 1 OF THE FINAL DECREE OF CONDEMNATION ENTERED IN CASE NO. 450186, SUPERIOR COURT OF SAID COUNTY, A COPY OF SAID DECREE BEING RECORDED FEBRUARY 21, 1941 IN BOOK 18154 PAGE 157, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPTING THEREFROM THE NORTH 641.74 FEET OF THE EAST 641.74 FEET OF SAID LOT 62, SAID DISTANCES BEING MEASURED ALONG THE EAST AND NORTH LINES RESPECTIVELY OF SAID LOT.

ALSO EXCEPT THEREFROM AN UNDIVIDED 3 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 852, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 6:

THE WEST 2,640 FEET OF THE SOUTH 3,300 FEET OF LOT 62, OF ST. JOHN'S SUBDIVISION OF RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 196 PAGE 304, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THAT PORTION LYING WITHIN LOT 48 OF TRACT NO. 34144.

ALSO EXCEPT THEREFROM AN UNDIVIDED 3 PER CENT OF ALL THE OIL, GAS, OTHER

EXHIBIT A

Bermite Property

HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 852, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 7:

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE EASTERLY LINE OF TRACT NO. 1801, AS PER MAP RECORDED IN BOOK 21 PAGES 158 AND 159 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WITH THE NORTHERLY LINE OF LOT 60, OF THE ST. JOHN SUBDIVISION, AS PER MAP RECORDED IN BOOK 196 PAGE 304 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE EASTERLY ALONG SAID NORTHERLY LINE TO THE SOUTHWESTERLY LINE OF THE PARCEL OF LAND DESCRIBED IN THE DEED TO THE LOS ANGELES POWDER COMPANY, A CORPORATION, RECORDED IN BOOK 43 PAGE 73, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID SOUTHWESTERLY LINE SOUTH 60 DEGREES 06 MINUTES EAST, TO AN ANGLE POINT THEREIN; THENCE ALONG SAID SOUTHWESTERLY LINE SOUTH 69 DEGREES 29 MINUTES EAST, TO THE EASTERLY LINE OF SAID LOT 60, OF THE ST. JOHN SUBDIVISION; THENCE SOUTHERLY ALONG SAID LAST MENTIONED EASTERLY LINE TO THE SOUTHERLY LINE OF SAID LOT 60; THENCE WESTERLY ALONG SOUTHERLY LINE TO SAID EASTERLY LINE OF TRACT NO. 1801; THENCE IN A GENERAL NORTHWESTERLY DIRECTION FOLLOWING THE BOUNDARY LINES OF SAID TRACT NO. 1801, TO THE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDED 3 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 852, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS.

PARCEL 8:

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BOUNDED AS FOLLOWS:

ON THE SOUTH BY THE NORTH LINE OF LOT 62, OF ST. JOHN SUBDIVISION, AS PER MAP RECORDED IN BOOK 196 PAGES 304 THROUGH 309 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; ON THE NORTHEAST BY THE SOUTHEAST PROLONGATION OF THAT CERTAIN COURSE HAVING A BEARING OF NORTH 34 DEGREES 58 MINUTES 50 SECONDS WEST, AND A LENGTH OF 703.93 FEET AS DESCRIBED IN DEED TO BERMITE POWDER COMPANY, RECORDED JULY 23, 1951 AS INSTRUMENT NO. 1546, IN BOOK

EXHIBIT A

Bermite Property

36817 PAGE 285, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ON THE NORTHWEST BY THE SOUTHEAST LINE OF THE BERMITE POWDER COMPANY, AS SAID LINE NOW EXISTS BEING A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF SAID LOT 62, WITH THE SOUTHEAST LINE OF LAND DESCRIBED IN BOOK 43 PAGE 75, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID SOUTHEAST LINE NORTH 25 DEGREES 23 MINUTES 45 SECONDS EAST 263.02 FEET; THENCE ALONG THE SOUTH LINE OF SECTION 24, TOWNSHIP 2 NORTH, RANGE 16 WEST, IN SAID RANCHO SAN FRANCISCO SOUTH 89 DEGREES 59 MINUTES EAST 308.40 FEET; THENCE NORTH 25 DEGREES 21 MINUTES EAST, 570 FEET TO AN ANGLE POINT IN THE LINE OF SAID LAND DESCRIBED IN BOOK 36817 PAGE 285, OF SAID OFFICIAL RECORDS.

EXCEPT 50 PER CENT OF ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES LYING IN AND UNDER SAID LAND, AS RESERVED IN THE DEED FROM DOMENICO GHIGGIA AND MARY GHIGGIA, HUSBAND AND WIFE, IN DEED RECORDED NOVEMBER 22, 1955 IN BOOK 49589 PAGE 170 OF SAID OFFICIAL RECORDS.

PARCEL 9:

THAT PORTION OF LOT 62, ST. JOHN'S SUBDIVISION OF PART OF RANCHO SAN FRANCISCO, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 196 PAGE 304 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF LOT "A", TRACT NO. 1079, AS PER MAP RECORDED IN BOOK 18 PAGE 155 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DISTANT EASTERLY THEREON 2640 FEET FROM ITS INTERSECTION WITH THE WEST LINE OF SAID LOT 62; THENCE NORTHERLY AND PARALLEL WITH SAID WEST LINE 2,617 FEET MORE OR LESS, TO A LINE PARALLEL WITH THE NORTH LINE OF SAID LOT "A", AND DISTANT NORTHERLY THEREFROM A SUFFICIENT DISTANCE TO INCLUDE 160 ACRES OF LAND WITHIN THE PARCEL OF LAND HEREIN DESCRIBED; THENCE EASTERLY PARALLEL WITH SAID NORTH LINE OF LOT "A"; TO THE EASTERLY LINE OF SAID LOT 62, 2,706 FEET MORE OR LESS, TO THE EAST LINE OF SAID LOT 62; THENCE SOUTHERLY ALONG SAID EAST LINE 2,618 FEET MORE OR LESS, TO THE NORTH LINE OF SAID LOT "A"; THENCE WEST ALONG SAID NORTH LINE 2,640 FEET MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPT THEREFROM AN UNDIVIDED 3 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES, AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO LOS ANGELES HOME COMPANY, A CORPORATION, BY DEED RECORDED FEBRUARY 10, 1949 AS INSTRUMENT NO. 352, IN BOOK 29022 PAGE 337, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM AN UNDIVIDED 0.5 PER CENT OF ALL THE OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS, IN AND UNDER SAID LAND, AS GRANTED TO NORMA COLEMAN, A WIDOW, BY DEED RECORDED FEBRUARY 21, 1949 AS INSTRUMENT NO. 802, IN BOOK 29421 PAGE 270, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 10:

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EXHIBIT A

Bermite Property

LOT 48 OF TRACT NO. 34144, IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 969 PAGES 15 TO 20 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

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EXHIBIT A
BERMITE PROPERTY

A. L. T. A. SURVEY

IN THE CITY OF SANTA CLARITA
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

SURVEYORS STATEMENT

BASIS OF BEARINGS

SOLEDAD CANYON ROAD

LOS ANGELES AQUEDUCT

NOT A PART

PARCEL 3

PARCEL 7

SCALE 1" = 300'

SHEET 1 OF 2 SHEETS

96 535033

132

EXHIBIT B

PREMISES

THAT PORTION OF PARCEL 1 OF INSTRUMENT NUMBER 91-1170920, RECORDED JULY 29, 1991 IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDS OF SAID COUNTY DESCRIBED AS FOLLOWS AND SHOWN ON EXHIBIT "B-1":

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID PARCEL 1 OF INSTRUMENT NO. 91-1170920 ALSO BEING A POINT ON A 2,535 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY IN THE SOUTHERLY LINE OF SOLEDAD CANYON ROAD, 120 FEET WIDE AS SAME EXISTED ON FEBRUARY 24, 1992, A RADIAL TO SAID CURVE BEARS NORTH 37 DEGREES 28 MINUTES 02 SECONDS EAST; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 1 DEGREE 52 MINUTES 33 SECONDS A DISTANCE OF 83.00 FEET; THENCE LEAVING SAID SOUTHERLY LINE OF SOLEDAD CANYON ROAD, SOUTH 37 DEGREES 33 MINUTES 29 SECONDS WEST, 232.70 FEET; THENCE SOUTH 67 DEGREES 27 MINUTES 16 SECONDS EAST, 174.83 FEET; THENCE NORTH 22 DEGREES 32 MINUTES 44 SECONDS EAST, 200.99 FEET TO SAID SOUTHERLY LINE OF SOLEDAD CANYON ROAD ALSO BEING A POINT ON SAID 2,535 FOOT RADIUS CURVE WITH A RADIAL BEARING OF NORTH 32 DEGREES 56 MINUTES 49 SECONDS EAST; THENCE CONTINUING EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 05 MINUTES 09 SECONDS A DISTANCE OF 402.00 FEET; THENCE LEAVING SAID SOUTHERLY LINE OF SOLEDAD CANYON ROAD, SOUTH 22 DEGREES 32 MINUTES 44 SECONDS WEST, 288.00 FEET; THENCE SOUTH 67 DEGREES 27 MINUTES 16 SECONDS EAST, 221.88 FEET; THENCE SOUTH 22 DEGREES 32 MINUTES 44 SECONDS WEST, 39.00 FEET; THENCE SOUTH 67 DEGREES 27 MINUTES 16 SECONDS EAST, 37.00 FEET; THENCE SOUTH 3 DEGREES 34 MINUTES 30 SECONDS WEST, 69.79 FEET; THENCE NORTH 67 DEGREES 27 MINUTES 16 SECONDS WEST, 864.81 FEET; THENCE NORTH 11 DEGREES 14 MINUTES 09 SECONDS WEST, 66.15 FEET; THENCE NORTH 67 DEGREES 27 MINUTES 16 SECONDS WEST, 87.93 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL 1; THENCE NORTH 37 DEGREES 33 MINUTES 29 SECONDS EAST, 437.76 FEET ALONG SAID NORTHWESTERLY LINE OF PARCEL 1 TO THE POINT OF BEGINNING.

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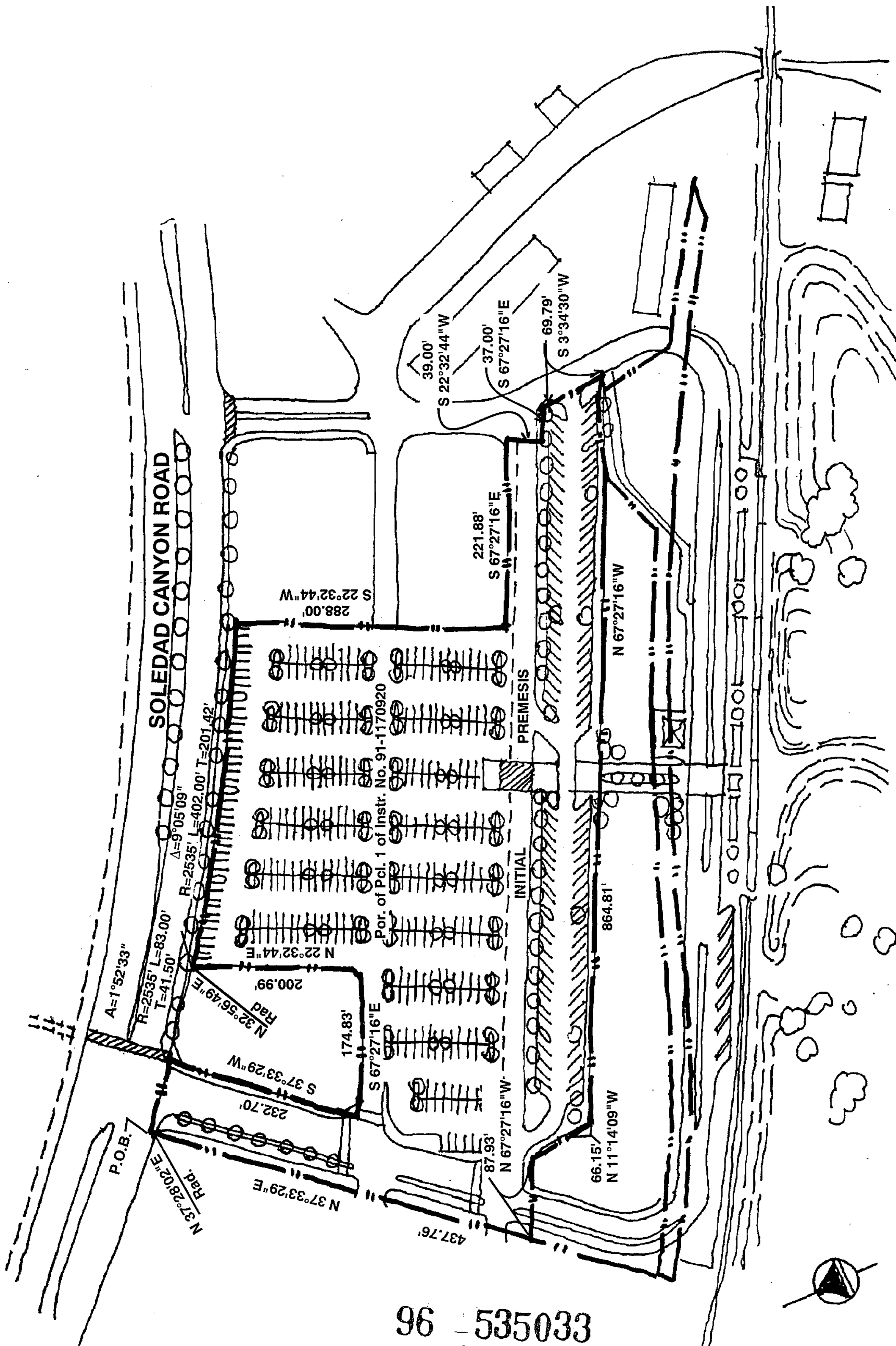
EXHIBIT B-1
PREMISES

133



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134

EXHIBIT C

The following services would complement the Commuter Rail Station and are permitted uses on the site provided they are conducted from temporary facilities (such as trailers, push carts, and stands, none of which may have permanent foundations) which are not permanently affixed to the real property and can be easily removed without resort to demolition:

* Convenience Merchandise
* Dry Cleaning (pick up and drop off only) - no dry cleaning work done on Premises
* Automated Teller Machine
* Telephones
* Fast Food (no preparation or drive through on the Premises)
* Commuter Merchandise and Services, i.e.; pass sales, carpool matching, transit schedules, taxi, car rental services.
* Post Office
* Gift Merchandise
* Child Care Centers
* Newspapers, Books, Tapes
* Automobile Servicing (no repairs)

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EXHIBIT D

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:
City of Santa Clarita
25663 West Avenue Stanford
Santa Clarita, California 91355
Attention: City Manager

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made as of April 21, 1996, by and among Whittaker Porta Bella Development, Inc., a California corporation ("Whittaker") and the City of Santa Clarita, a municipal corporation ("City").

1. Lease. Pursuant to that certain Second Commuter Rail Station Site Lease with Option to Purchase, dated April 21, 1996 ("Lease"), Whittaker has agreed to lease to the City property consisting of approximately 6.40 acres, as more specifically described in Exhibit 1 attached hereto ("Premises"), for a term commencing on April 21, 1996, and ending on April 21, 1999. The City's interest in the Premises shall terminate at the end of the term of the Lease unless on or before such date the City acquires the Premises pursuant to the Purchase Option described below.

2. Option to Purchase. The Lease contains an option to purchase ("Purchase Option") the Premises prior to the expiration of the term of the Lease, as more specifically set forth in the Lease.

3. Release of Rights. The City has agreed to execute, acknowledge, deliver and have recorded in the Official Records of Los Angeles County, a quitclaim deed relinquishing its interest in the Premises (including, without limitation, all option rights contained therein upon the expiration or termination of the Lease. In addition, the City has agreed to execute, acknowledge, deliver, and have recorded in the Official Records of Los Angeles County, an instrument which evidences the expiration or termination of the Purchase Option upon the expiration or termination of the Purchase Option.

4. As of April 21, 1996, this Memorandum completely replaces, supersedes and overrides the Memorandum of Lease previously executed by the parties hereto on April 21, 1992. The Lease referred to in the April 22, 1992 Memorandum of Lease was terminated as of April 21, 1996.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum as of the date hereof.

WHITTAKER PORTA BELLA DEVELOPMENT, INC.,
a California Corporation

By:____________________

Its:____________________

CITY OF SANTA CLARITA,
a municipal corporation

By:____________________

Its:____________________

139

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On ____________, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared ______________, personally known to me (or proved to me on the basis of satisfactory evidence) 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 said
County and State

[SEAL]

wp50\whittake\bermite\memolse.exd

96 535033

138

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On ____________, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared STANLEY S. BROWN, personally known to me (or proved to me on the basis of satisfactory evidence) 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 said
County and State

[SEAL]

wp50\whittake\bermite\memolse.exd

96 535033

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On ____________, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared ______________, personally known to me (or proved to me on the basis of satisfactory evidence) 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 said
County and State

[SEAL]

wp50\whittake\bermite\memolse.exd

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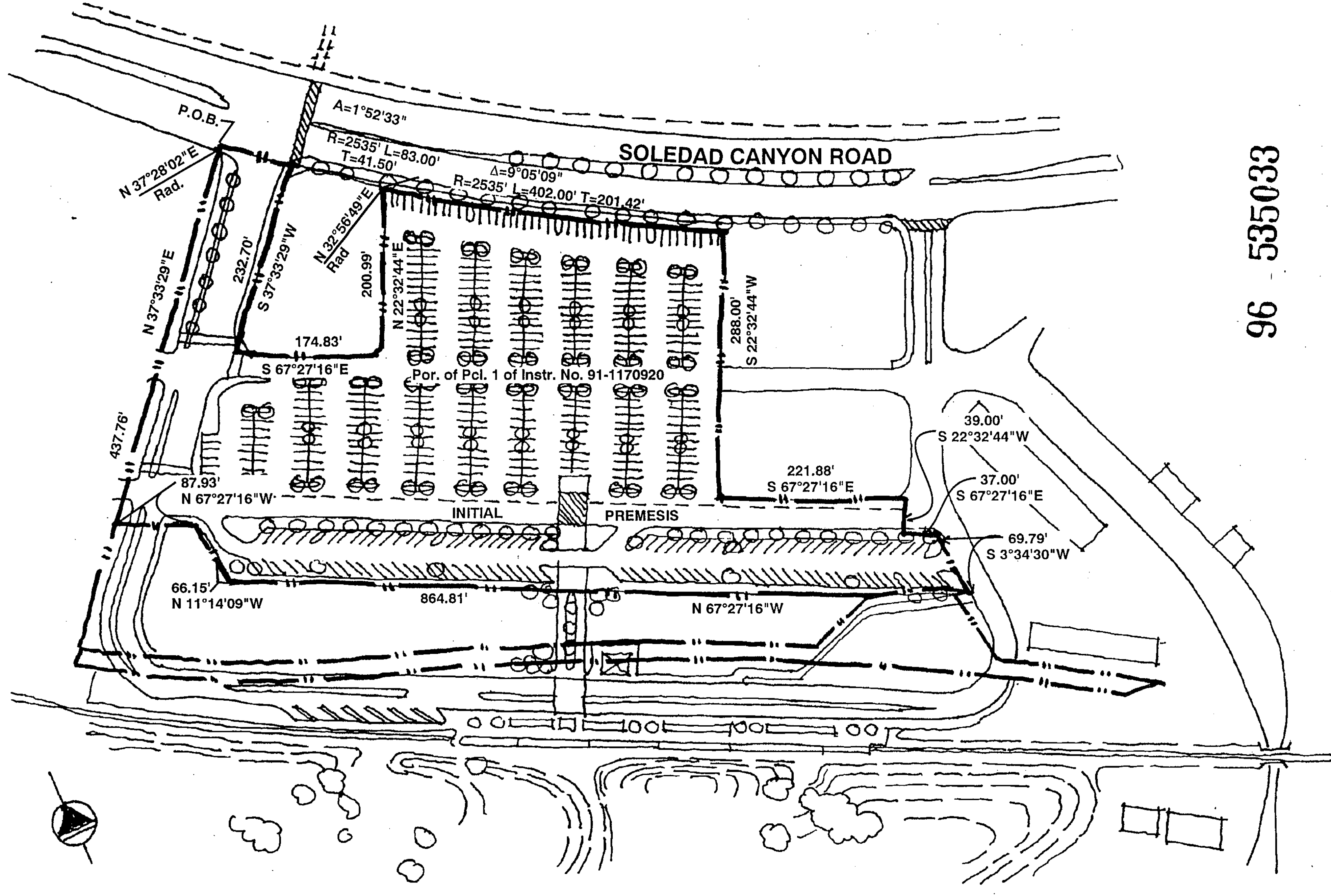
EXHIBIT 1

PREMISES

THAT PORTION OF PARCEL 1 OF INSTRUMENT NUMBER 91-1170920, RECORDED JULY 29, 1991 IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDS OF SAID COUNTY DESCRIBED AS FOLLOWS AND SHOWN ON EXHIBIT "B-1":

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID PARCEL 1 OF INSTRUMENT NO. 91-1170920 ALSO BEING A POINT ON A 2,535 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY IN THE SOUTHERLY LINE OF SOLEDAD CANYON ROAD, 120 FEET WIDE AS SAME EXISTED ON FEBRUARY 24, 1992, A RADIAL TO SAID CURVE BEARS NORTH 37 DEGREES 28 MINUTES 02 SECONDS EAST; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 1 DEGREE 52 MINUTES 33 SECONDS A DISTANCE OF 83.00 FEET; THENCE LEAVING SAID SOUTHERLY LINE OF SOLEDAD CANYON ROAD, SOUTH 37 DEGREES 33 MINUTES 29 SECONDS WEST, 232.70 FEET; THENCE SOUTH 67 DEGREES 27 MINUTES 16 SECONDS EAST, 174.83 FEET; THENCE NORTH 22 DEGREES 32 MINUTES 44 SECONDS EAST, 200.99 FEET TO SAID SOUTHERLY LINE OF SOLEDAD CANYON ROAD ALSO BEING A POINT ON SAID 2,535 FOOT RADIUS CURVE WITH A RADIAL BEARING OF NORTH 32 DEGREES 56 MINUTES 49 SECONDS EAST; THENCE CONTINUING EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 05 MINUTES 09 SECONDS A DISTANCE OF 402.00 FEET; THENCE LEAVING SAID SOUTHERLY LINE OF SOLEDAD CANYON ROAD, SOUTH 22 DEGREES 32 MINUTES 44 SECONDS WEST, 288.00 FEET; THENCE SOUTH 67 DEGREES 27 MINUTES 16 SECONDS EAST, 221.88 FEET; THENCE SOUTH 22 DEGREES 32 MINUTES 44 SECONDS WEST, 39.00 FEET; THENCE SOUTH 67 DEGREES 27 MINUTES 16 SECONDS EAST, 37.00 FEET; THENCE SOUTH 3 DEGREES 34 MINUTES 30 SECONDS WEST, 69.79 FEET; THENCE NORTH 67 DEGREES 27 MINUTES 16 SECONDS WEST, 864.81 FEET; THENCE NORTH 11 DEGREES 14 MINUTES 09 SECONDS WEST, 66.15 FEET; THENCE NORTH 67 DEGREES 27 MINUTES 16 SECONDS WEST, 87.93 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL 1; THENCE NORTH 37 DEGREES 33 MINUTES 29 SECONDS EAST, 437.76 FEET ALONG SAID NORTHWESTERLY LINE OF PARCEL 1 TO THE POINT OF BEGINNING.



SANTA CLARITA COMMUTER RAIL STATION

96 535033

EXHIBIT E

142

AND WHEN RECORDED MAIL TO

NAME

ADDRESS

CITY & STATE

Title Order No. ____________ Escrow No. ____________

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MAIL TAX STATEMENTS TO

NAME

STREET ADDRESS

CITY & STATE

Quitclaim Deed

THE UNDERSIGNED GRANTOR(s) DECLARE(s)

DOCUMENTARY TRANSFER TAX is $ ____________

☐ ____ unincorporated area ☐ City of ____________

Parcel No. ____________

☐ computed on full value of property conveyed, or

☐ computed on full value less value of liens or encumbrances remaining at time of sale, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

THE CITY OF SANTA CLARITA, a municipal corporation

hereby REMISE, RELEASE AND FOREVER QUITCLAIM to WHITTAKER PORTA BELLA DEVELOPMENT, INC., a California corporation, all of its right, title and interest created or disclosed in that certain Memorandum of Agreement, dated April 21, 1996, and recorded in the Official Records of Los Angeles County, as such Memorandum of Agreement relates to

the following described real property in the City of Santa Clarita

county of Los Angeles , state of California:

96 535033

EXHIBIT F

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:
Whittaker Porta Bella Development, Inc.
1955 N. Surveyor Avenue
Simi Valley, CA 93063-3386
Attention: Office of the General Counsel

PURCHASE OPTION RELEASE

The undersigned hereby certifies the following:

(a) It is the Lessee under that certain Second Commuter Rail Station Site Lease with Option to Purchase ("Lease"), dated April 21, 1996, by and between Whittaker Porta Bella Development, Inc., a California corporation, as the Lessor, and the City of Santa Clarita, a municipal corporation, as the Lessee, which concerns certain property described in Exhibit 1 attached hereto ("Premises").

(b) The undersigned has not assigned or otherwise transferred the Lease or any right to which this instrument applies.

(c) The undersigned has released and discharged, and does hereby forever and irrevocably release and discharge, any and all right to purchase all or any portion of the Premises, including, without limitation, the release of the Purchase Option as provided for in the Lease.

CITY OF SANTA CLARITA

By:____________________

Its:____________________

96 535033

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On ___________, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared ______________, personally known to me (or proved to me on the basis of satisfactory evidence) 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 said
County and State

[SEAL]

96 - 535033

EXHIBIT 1

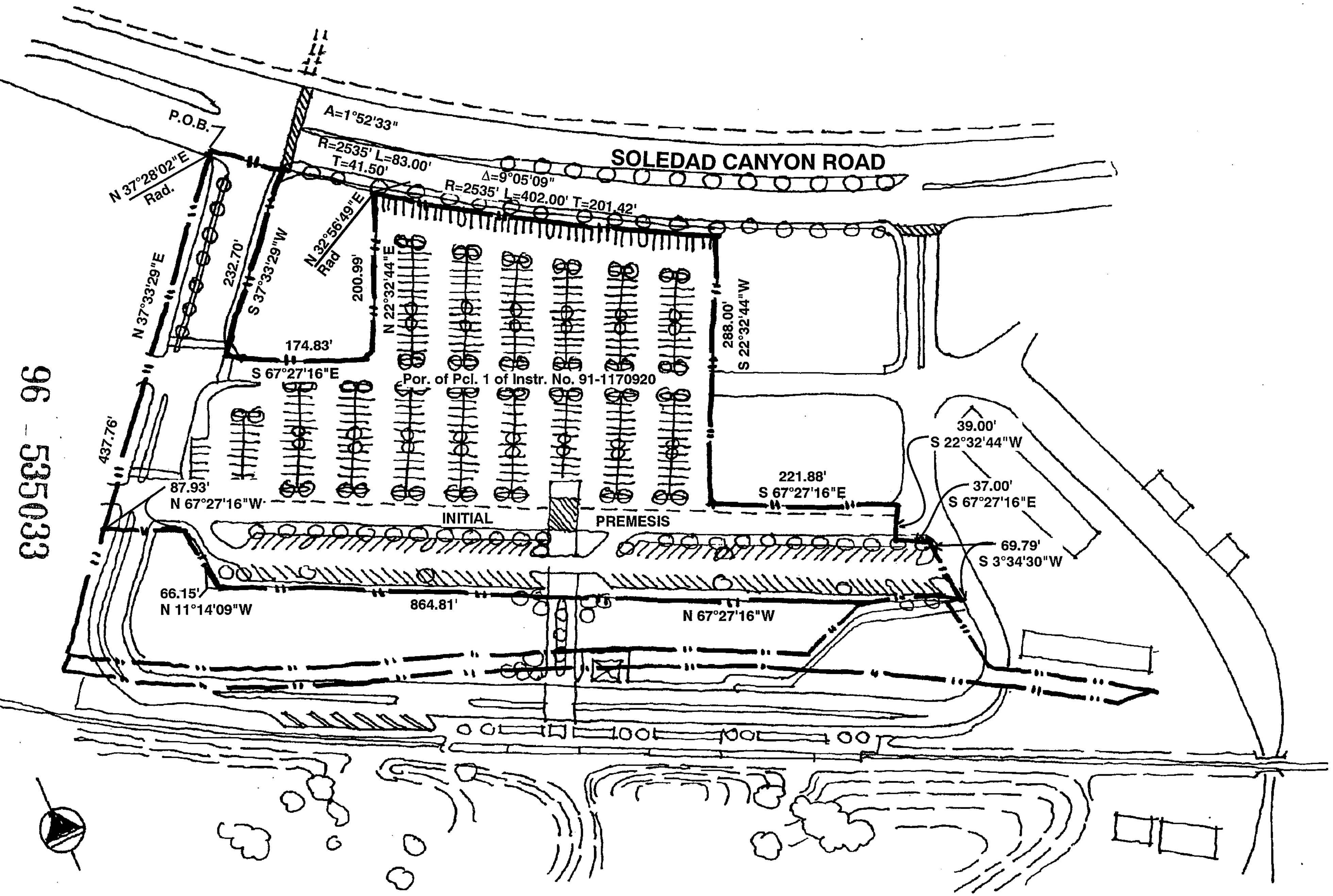
PREMISES

THAT PORTION OF PARCEL 1 OF INSTRUMENT NUMBER 91-1170920, RECORDED JULY 29, 1991 IN THE CITY OF SANTA CLARITA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDS OF SAID COUNTY DESCRIBED AS FOLLOWS AND SHOWN ON EXHIBIT "B-1":

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID PARCEL 1 OF INSTRUMENT NO. 91-1170920 ALSO BEING A POINT ON A 2,535 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY IN THE SOUTHERLY LINE OF SOLEDAD CANYON ROAD, 120 FEET WIDE AS SAME EXISTED ON FEBRUARY 24, 1992, A RADIAL TO SAID CURVE BEARS NORTH 37 DEGREES 28 MINUTES 02 SECONDS EAST; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 1 DEGREE 52 MINUTES 33 SECONDS A DISTANCE OF 83.00 FEET; THENCE LEAVING SAID SOUTHERLY LINE OF SOLEDAD CANYON ROAD, SOUTH 37 DEGREES 33 MINUTES 29 SECONDS WEST, 232.70 FEET; THENCE SOUTH 67 DEGREES 27 MINUTES 16 SECONDS EAST, 174.83 FEET; THENCE NORTH 22 DEGREES 32 MINUTES 44 SECONDS EAST, 200.99 FEET TO SAID SOUTHERLY LINE OF SOLEDAD CANYON ROAD ALSO BEING A POINT ON SAID 2,535 FOOT RADIUS CURVE WITH A RADIAL BEARING OF NORTH 32 DEGREES 56 MINUTES 49 SECONDS EAST; THENCE CONTINUING EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 05 MINUTES 09 SECONDS A DISTANCE OF 402.00 FEET; THENCE LEAVING SAID SOUTHERLY LINE OF SOLEDAD CANYON ROAD, SOUTH 22 DEGREES 32 MINUTES 44 SECONDS WEST, 288.00 FEET; THENCE SOUTH 67 DEGREES 27 MINUTES 16 SECONDS EAST, 221.88 FEET; THENCE SOUTH 22 DEGREES 32 MINUTES 44 SECONDS WEST, 39.00 FEET; THENCE SOUTH 67 DEGREES 27 MINUTES 16 SECONDS EAST, 37.00 FEET; THENCE SOUTH 3 DEGREES 34 MINUTES 30 SECONDS WEST, 69.79 FEET; THENCE NORTH 67 DEGREES 27 MINUTES 16 SECONDS WEST, 864.81 FEET; THENCE NORTH 11 DEGREES 14 MINUTES 09 SECONDS WEST, 66.15 FEET; THENCE NORTH 67 DEGREES 27 MINUTES 16 SECONDS WEST, 87.93 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL 1; THENCE NORTH 37 DEGREES 33 MINUTES 29 SECONDS EAST, 437.76 FEET ALONG SAID NORTHWESTERLY LINE OF PARCEL 1 TO THE POINT OF BEGINNING.

EXHIBIT 1

146



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SANTA CLARITA COMMUTER RAIL STATION

96 535033

CITY HALL

City of Santa Clarita

EXECUTIVE ARCHITECT

Hill Architects, Inc.

DESIGN ARCHITECT

Urquiola Zecchetto Architects, Inc.

CIVIL ENGINEER

Harris and Associates

GENERAL NOTES:

1. FOR THE PURPOSE OF CALCULATING EARTHWORK QUANTITIES THE GRADING OF THE MAGIC MOUNTAIN PARKWAY CORRIDOR EXTENSION IS ASSUMED TO BE COMPLETE AT THE START OF MASS GRADING OPERATIONS FOR THE CIVIC CENTER SITE.

2. ALL PROVISIONS OF THE "PRELIMINARY GEOTECHNICAL ENGINEERING AND GEOLOGIC FAULT INVESTIGATION" FOR THE PROPOSED CIVIC CENTER SITE IN SANTA CLARITA, CALIFORNIA, APRIL 13, 1993 AND ALL ADDENDA, BY GEOSOILS, INC. 6634 VALJEAN AVENUE, VAN NUYS, CA. 91406, 818-785-2158, SHALL, BY REFERENCE, BE CONSIDERED AS PART OF THESE PLANS AND THEIR ASSOCIATED SPECIFICATIONS. THE CONTRACTOR SHALL ADHERE TO THE PROVISIONS OF SAID GEOTECHNICAL REPORT.

PRELIMINARY

NOT FOR CONSTRUCTION

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CIVIL

Civic Center Mass Grading Plan

C 0.1

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EXHIBIT 'M'
CITY PROPERTY UPGRADE

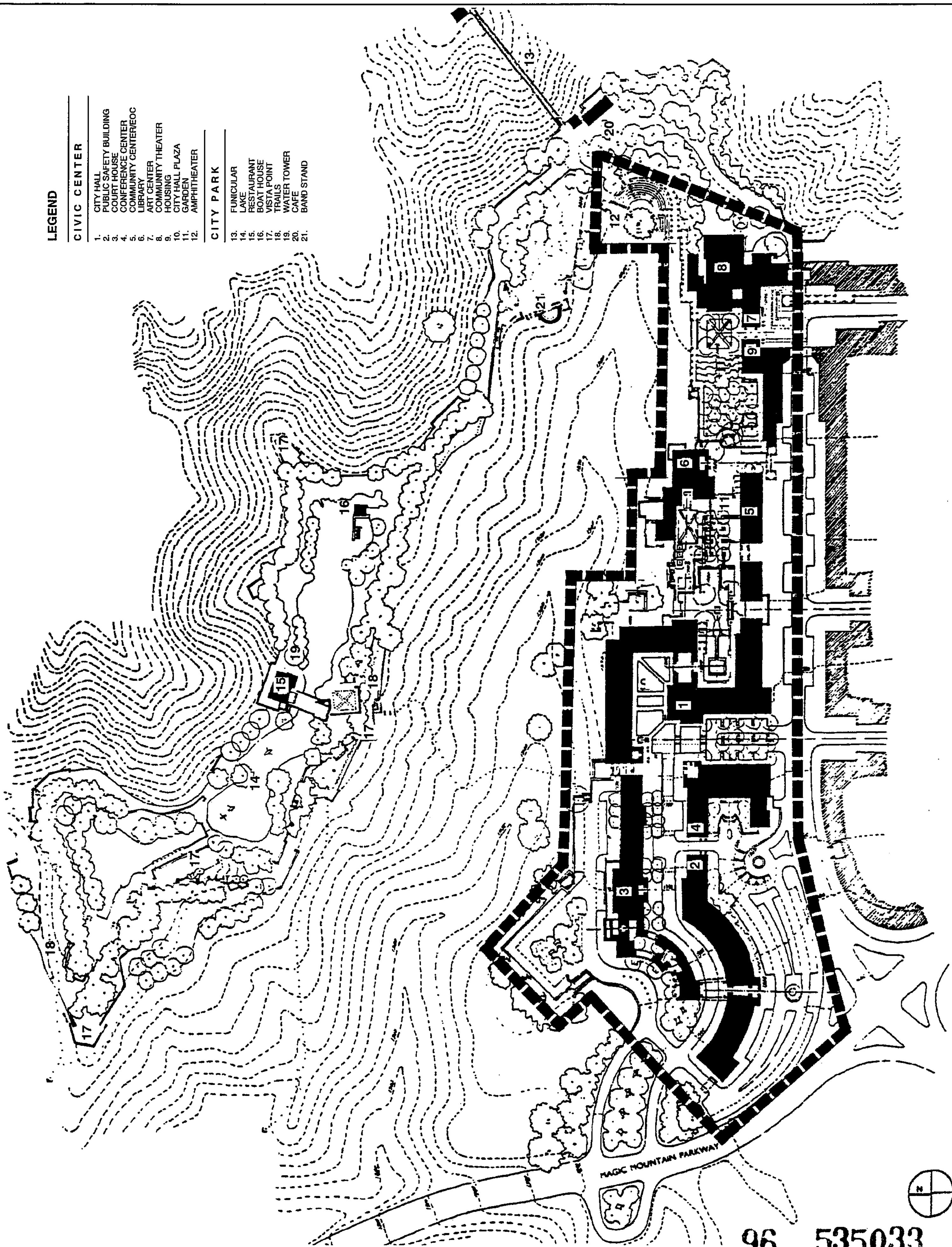

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EXHIBIT N

8.0 AC

4.3 AC

20.8 AC

8.1 AC

GG

VIA PORTA BELLA

SANTA CLARITA PARKWAY

G1

37.6 AC

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