

ATTACHMENT G

Summary Appraisal of Underlying Commercial Land and
Air Rights Ground Rent Valuation for Arena

SUMMARY APPRAISAL OF

**UNDERLYING COMMERCIAL LAND
GROUND RENT VALUATION
FOR LEASE EXTENSION**

LOCATED AT

**STAPLES CENTER
1111 SOUTH FIGUEROA STREET
LOS ANGELES, CALIFORNIA 90015**

FOR

**KNN PUBLIC FINANCE,
A DIVISION OF ZIONS FIRST NATIONAL BANK**

AS OF

NOVEMBER 3, 2011

BY

**RIGGS & RIGGS, INC.
4195 VALLEY FAIR STREET, SUITE 207
SIMI VALLEY, CALIFORNIA 93063**

RIGGS & RIGGS, INC.
Real Estate Appraisers and Consultants
4195 Valley Fair Street, Suite 207, Simi Valley, CA 93063
Business: (805) 578-2400 • Fax: (805) 526-6097
E-mail: appraisal@riggsandrighgsinc.com

December 8, 2011

Mr. David Brodsky, Managing Director
KNN Public Finance, a Division of Zions First National Bank
1333 Broadway, Suite 1000
Oakland, CA 94612

Our File No. 11-089

Re: Ground Rent Valuation of Underlying Commercial Land for Lease Extension
1111 South Figueroa Street, Los Angeles
City of Los Angeles Ownership

Dear Mr. Brodsky:

In accordance with our contract, we have made an investigation and analysis of the above-referenced property for the purpose of expressing the annual market ground rent for the subject property as of March 26, 2053 based upon an opinion of the market value of the fee simple interest in the subject property, underlying land only, as of November 3, 2011 under two scenarios: 1) assuming a gross site area of 371,050± square feet, or 8.52± acres; and 2) assuming a gross site area of 352,875± square feet, or 8.10± acres. Although the subject property is improved with Staples Center, the value of the improvements was not considered in the calculation of market ground rent. **Please refer to Extraordinary Assumption No. 26.** The intended use of the report is for negotiations between the proposed developer, Anschutz Entertainment Group, Inc., (AEG) and the property owner, the City of Los Angeles, to establish market ground rent for a proposed lease extension, City planning decisions, and municipal bond financing. A legal description is provided in this Summary Appraisal Report.

This is a Summary Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP), which is part of the Appraisal Institute Code of Ethics and Professional Appraisal Standards for a Summary Report. As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop our opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in our files. The depth of discussion contained in this Summary Appraisal Report is specific to the needs of only the client.

This Summary Appraisal Report has been prepared for the sole and exclusive use of representatives with KNN Public Finance, the City of Los Angeles, and Public Resources Advisory Group, the intended users, and is not intended for any other user. The Client is KNN Public Finance. We request that our written authorization be obtained before releasing this report to any other party. Any third party who relies on this appraisal does so at their own risk. **The user of this Summary Appraisal Report is directed to review the Limiting and Extraordinary Assumptions and Conditions, particularly Nos. 20, 21, 22, 23, 24, 25 and 26. The Market Value opinions are strictly contingent upon the Limiting and Extraordinary Assumptions and Conditions.**

The attached summary and exhibits provide the basic details of the property and our analysis. Additional data has been retained in our files. This Summary Appraisal Report is not based on a requested minimum or specified valuation. Further, we have not considered any personal property, fixtures, or intangible items which may be a part of, or located on, the real property.

Mr. David Brodsky
December 8, 2011
Page Two

Under **Scenario One**, the Market Value of the Fee Simple Interest in the subject property, underlying land only, as of November 3, 2011 is:

SEVENTY-FOUR MILLION TWO HUNDRED TEN THOUSAND DOLLARS
.....**\$74,210,000.**

Under **Scenario One**, the annual Market Ground Rent conclusion for the subject property, underlying land only, is:

As of March 26, 2053**\$11,790,211**

Under **Scenario Two**, the Market Value of the Fee Simple Interest in the subject property, underlying land only, as of November 3, 2011 is:

SEVENTY MILLION FIVE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS
.....**\$70,575,000.**

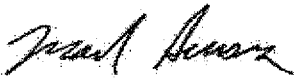
Under **Scenario Two**, the annual Market Ground Rent conclusion for the subject property, underlying land only, is:

As of March 26, 2053**\$11,212,696**

This letter of transmittal, including the Limiting and Extraordinary Assumptions and Conditions and Certifications on the accompanying pages, must remain attached to this Summary Appraisal Report, which contains 60 pages plus related exhibits, in order for the value opinions set forth to be considered valid. We hereby certify that we have no interest, present or prospective, in the property appraised and that our opinion is in no way contingent upon the basis of our employment.

Respectfully submitted,

RIGGS & RIGGS, INC.


Mark D. Brusca
SCREA AG036814
Expires March 29, 2013

RIGGS & RIGGS, INC.


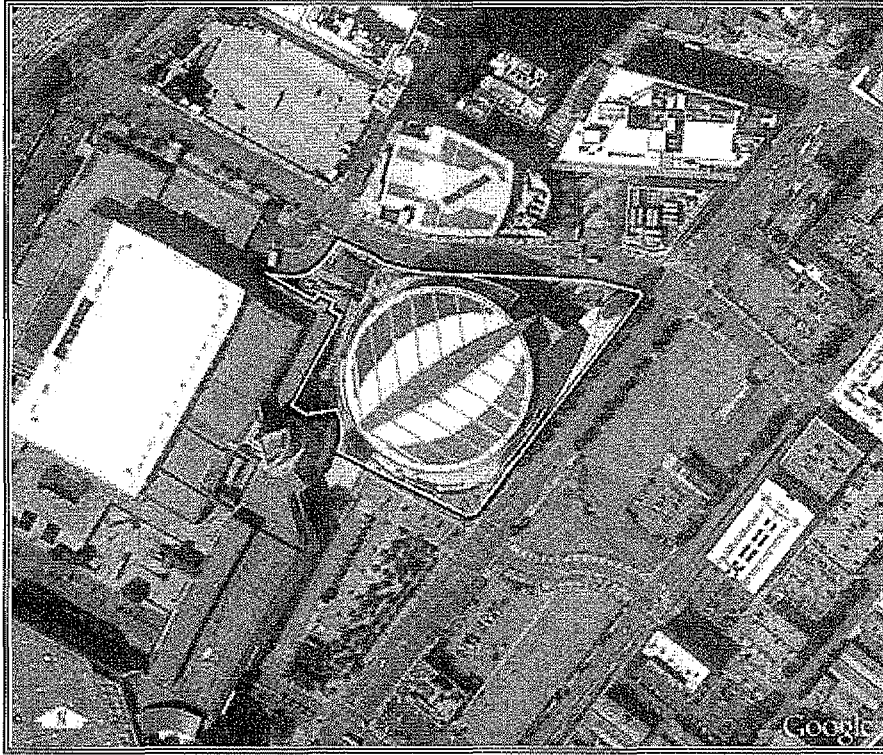

Joyce L. Riggs, MAI, SR/WA
SCREA AG005451
Expires April 7, 2013

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EXECUTIVE SUMMARY



The subject property is located at 1111 South Figueroa Street in the City and County of Los Angeles and State of California. The U.S. Postal Zip Code is 90015.

At the request of the client, the subject property has been valued under two scenarios. In **Scenario One**, the subject consists of the underlying land of Los Angeles County Assessor's Parcel Number (APN) 5138-016-913, which is currently improved with Staples Center. The site is generally level and irregular in shape, with a gross area of 371,050± square feet, or 8.52± acres. In **Scenario Two**, the subject consists of the underlying land of a portion of APN 5138-016-913, excluding 18,175± square feet, or 0.42± acres, adjacent to the northeast driveway to the West Hall of the Los Angeles Convention Center. The gross site area in Scenario Two is 352,875± square feet, or 8.10± acres. **Please refer to Extraordinary Assumption Nos. 20, 21 and 22.**

In both scenarios, the subject property is located at the signalized intersection of a Modified Major Highway II and a collector street in downtown Los Angeles. Visibility is considered good-to-excellent, and accessibility is considered good overall. The property is currently owned by The City of Los Angeles, and the majority of the site is zoned PF-4D-O, Public Facilities, with a land use designation of Public Facilities, although the northeastern 3.70 acres are zoned C2-4D-O, Commercial, with a corresponding land use designation of Regional Commercial. According to the Los Angeles Department of City Planning, the entire site would likely be re-zoned C2-4D-O, Commercial, with a corresponding land use designation of Regional Commercial, if sold to a private party. **Please refer to Extraordinary Assumption Nos. 24 and 25.** This will be transmitted in greater detail in the sections to follow.

**SUMMARY OF SALIENT DATA
SCENARIO ONE**

MARKET GROUND RENT CONCLUSION:

AS OF MARCH 26, 2053 \$11,790,211

FEE SIMPLE MARKET VALUE OF THE SUBJECT PROPERTY..... \$74,210,000

SUBJECT DATA

GROSS LAND AREA371,050± SQUARE FEET, OR 8.52± ACRES

PRESENT USE OF THE LANDSTAPLES CENTER

ZONING..... CITY OF LOS ANGELES, PF-4D-O (PUBLIC FACILITIES)
AND C2-4D-O (COMMERCIAL)

GENERAL PLAN.....CITY OF LOS ANGELES, PUBLIC FACILITIES
AND REGIONAL COMMERCIAL

HIGHEST AND BEST USE AS-VACANT..... TO CONSTRUCT A COMMERCIAL,
RESIDENTIAL OR MIXED USE DEVELOPMENT

HIGHEST AND BEST USE AS-IMPROVED.....NOT APPLICABLE

PROPERTY RIGHTS APPRAISEDFEE SIMPLE AND LEASED FEE INTERESTS

OWNER OF RECORD..... CITY OF LOS ANGELES

DATE OF REPORT..... DECEMBER 8, 2011

DATES OF INSPECTION..... SEPTEMBER 14 AND 21 AND NOVEMBER 3, 2011

DATE OF VALUE.....NOVEMBER 3, 2011

PURPOSE OF THE APPRAISAL..... MARKET VALUE, MARKET GROUND RENT

**SUMMARY OF SALIENT DATA
SCENARIO TWO**

MARKET GROUND RENT CONCLUSIONS:

AS OF MARCH 26, 2053 \$11,212,696

FEE SIMPLE MARKET VALUE OF THE SUBJECT PROPERTY..... \$70,575,000

SUBJECT DATA

GROSS LAND AREA 352,875± SQUARE FEET, OR 8.10± ACRES

PRESENT USE OF THE LAND A PORTION OF STAPLES CENTER

ZONING..... CITY OF LOS ANGELES, PF-4D-O (PUBLIC FACILITIES)
AND C2-4D-O (COMMERCIAL)

GENERAL PLANCITY OF LOS ANGELES, PUBLIC FACILITIES
AND REGIONAL COMMERCIAL

HIGHEST AND BEST USE AS-VACANT TO CONSTRUCT A COMMERCIAL,
RESIDENTIAL OR MIXED USE DEVELOPMENT

HIGHEST AND BEST USE AS-IMPROVED.....NOT APPLICABLE

PROPERTY RIGHTS APPRAISEDFEE SIMPLE AND LEASED FEE INTERESTS

OWNER OF RECORD CITY OF LOS ANGELES

DATE OF REPORT DECEMBER 8, 2011

DATES OF INSPECTION..... SEPTEMBER 14 AND 21 AND NOVEMBER 3, 2011

DATE OF VALUE.....NOVEMBER 3, 2011

PURPOSE OF THE APPRAISAL MARKET VALUE, MARKET GROUND RENT

ASSUMPTIONS AND LIMITING CONDITIONS

This Summary Appraisal Report has been made with the following general assumptions:

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the subject property is assumed to be good and marketable unless otherwise stated.
2. The subject property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
5. All engineering studies are assumed to be correct. The plot plans and illustrative materials in this report are included only to help the reader visualize the subject property.
6. It is assumed that there are no hidden or unapparent conditions of the subject property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
7. It is assumed that the subject property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
8. It is assumed that the subject property conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.
10. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the subject property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
11. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the subject property described and that there is no encroachment or trespass unless noted in the report.
12. Any allocations of the total opinion of value in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

13. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purposes by any person other than the party to whom it is addressed without the written consent of Riggs & Riggs, Inc., and in any event, only with properly written qualification and only in its entirety.
14. Riggs & Riggs, Inc., by reason of this summary appraisal, is not required to give further consultation or testimony or to be in attendance in court with reference to the subject property in question unless arrangements have been previously made.
15. Neither all nor any part of the contents of the appraisal report shall be disseminated to the public or any unauthorized third party through advertising, public relations, public meetings/hearings, news, sales, or other media without the prior written consent and approval of Riggs & Riggs, Inc. Riggs & Riggs, Inc., assumes no liability for the unauthorized release of this report.
16. An inspection of the subject property was made by Joyce L. Riggs, MAI, SR/WA, and Mark D. Brusca. Ms. Riggs and Mr. Brusca gathered all the information, reviewed the data, and prepared the analysis in the appraisal report.

EXTRAORDINARY ASSUMPTIONS AND CONDITIONS

This Summary Appraisal Report is strictly contingent upon the following conditions affecting the subject property. The client is urged to review these extraordinary assumptions and conditions and to obtain experts in the field as needed.

17. This is a **Summary Appraisal Report** which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a summary appraisal report. As such, it does not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop our opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in our file. The information contained in this report is specific to the needs of the client and for the intended use as stated in this report. Riggs & Riggs, Inc., is not responsible for unauthorized use of this report.
18. According to the City of Los Angeles Department of City Planning's Zoning Information and Map Access System (ZIMAS), the subject property is not located within an Alquist-Priolo Earthquake Fault Zone or a landslide or liquefaction zone, although it is located in an unidentified fault zone and a Methane Zone. Nearly all areas in Southern California are susceptible to intermittent earthquakes. While the City of Los Angeles Building and Safety, Engineering, and Planning Departments have the authority to withhold permits on projects located within Methane Zones, this is not considered to adversely impact the subject as development is allowed upon approval of detailed plans containing suitable methane mitigation systems.

Although requested, Riggs & Riggs, Inc., was not provided with a soils or geological report for review. The site appears adequate to support construction standards consistent with the highest and best use conclusion. For the purpose of this appraisal, it is assumed that the soil and geological conditions are not unfavorable. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover any defects in the property. The client should retain experts in the field and make their own assessment of the physical condition of the property before making a decision on the subject property. **Riggs & Riggs, Inc., reserves the right to amend the opinion of value if additional information is provided subsequent to the date of this report.**

19. Although requested, Riggs & Riggs, Inc., was not provided with a Phase I or II Environmental Site Assessment Report pertaining to the subject property. **Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the site, was not observed during the inspection. Riggs & Riggs, Inc., however, is not qualified to detect such substances. The presence of substances such as contaminated soil, tainted ground water, or other potentially hazardous materials may affect the value of the site. The opinion of value is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field and consider the impact on value, if any. Riggs & Riggs, Inc., reserves the right to alter the opinion of value if said information becomes available.**
20. At the request of the client, the subject property has been appraised under two scenarios. In Scenario One, the subject property consists of the underlying land of APN 5138-016-913. According to an exhibit provided by the client labeled New Hall Programming Study and dated August 23, 2011, the gross site area is 371,050± square feet, or 8.52± acres. In Scenario Two, the subject property consists of a portion of APN 5138-016-913, excluding a "boot-shaped" area of 18,175± square feet, or 0.42± acres, adjacent to the northeast driveway to the West Hall of the Los Angeles Convention Center. The

gross site area under Scenario Two is 352,875± square feet, or 8.10± acres. Although the subject is improved with Staples Center in Scenario One and a portion of Staples Center in Scenario Two, no consideration has been given to the improvements. As the exact topography of the site was unclear at the time of inspection due to the improvements, it is assumed that the site is generally level at street grade in both scenarios. **Riggs & Riggs, Inc., has relied upon the New Hall Programming Study exhibit provided by the client, along with the Los Angeles County Assessor's Plat Map, for area calculations and dimensions, and reserves the right to alter the opinion of value if this information is revised and/or additional information is provided subsequent to the date of this report.**

21. The subject property consists of APN 5138-016-913 in Scenario One and a portion of APN 5138-016-913 in Scenario Two. Because APN 5138-016-913 is currently improved with Staples Center, which has reciprocal parking agreements with adjacent parcels, there is currently no vehicular access to the site. Based upon correspondence with the Los Angeles Department of City Planning, it is assumed that the subject site, as vacant, has at least one point of legal access from Figueroa Street and one from Chick Hearn Court. Reciprocal parking agreements have not been considered in this appraisal, as only the underlying land is being appraised, and it is assumed that there are no other reciprocal easements that positively or negatively impact the subject. Further, although the client has indicated that a new lobby area for the Los Angeles Convention Center will likely be added to the subject property at an undetermined future date, this area had not been finalized as of the date of value and therefore was not considered in this report, as agreed by the client. **Riggs & Riggs, Inc., reserves the right to alter the opinion of value if this information was misunderstood or should change subsequent to the date of this report.**
22. According to the Los Angeles Department of City Planning, the City has transferred approximately 2 million square feet of transferrable development rights from the Los Angeles Convention Center and/or Staples Center to other projects in downtown Los Angeles. The City has indicated that the land underlying Staples Center, the South Hall and/or the West Hall of the Convention Center may be impacted. Although requested, the City was not able to provide any further information as of the date of this report. Therefore, since there is no specific information indicating whether and to what extent development rights have been transferred from the subject property, the property has been appraised assuming that no development rights have been transferred. **Riggs & Riggs, Inc., reserves the right to alter the opinion of value if provided with information to the contrary subsequent to the date of this report.**
23. Although requested, Riggs & Riggs, Inc., was not provided with a Preliminary Title Report specific to the subject property or a map plotting the encumbrances that impact the subject property. A Preliminary Title Report covering 9 parcels labeled Parcel A through Parcel I was provided, but this report does not identify these parcels by their Los Angeles County Assessor's Parcel Numbers (APNs). Schedule B includes 10 exceptions labeled A through J that identify the affected parcel(s) by APN rather than parcel label, one of which includes the subject APN. There are also 98 numbered exceptions noted under Schedule B, some of which reference specific parcels by parcel label but not by APN. Riggs & Riggs, Inc., was not able to identify which of these exceptions impact the subject property, if any. Therefore, for the purposes of analysis, it is assumed that any encumbrances impacting the site are typical for an urban property and do not affect the value of the site. **Riggs & Riggs, Inc., makes no legal opinion nor expresses any warranty about the property and encumbrances affecting the subject. Further, this Summary Appraisal Report has been prepared assuming the property is free and clear of any liens or debt recorded against it. The user of this report should review a Preliminary Title Report for the subject property and all underlying documents and consider the impact of any items that may have an effect on value. A copy of the provided Preliminary Title Report is included in the Addenda section for further review. Riggs & Riggs, Inc., reserves the right to alter the opinion of value if additional information is provided subsequent to the date of this report.**

24. The subject property is currently owned by the City of Los Angeles, and the majority of the site is therefore zoned PF-4D-O, Public Facilities, with a corresponding General Plan land use designation of Public Facilities, although the northeastern 3.70 acres are zoned C2-4D-O, Commercial, with a corresponding land use designation of Regional Commercial. According to the General Plan, the property could be rezoned to the zone(s) most consistent within 500 feet if sold to a private party. When asked what the zone would likely be in such a circumstance, pursuant to the definition of Market Value, Senior City Planner Jon Foreman with the Los Angeles Department of City Planning indicated that the entire site would most likely be rezoned C2-4D-O, Commercial, and the land use designation would likely be amended to Regional Commercial for consistency. It is assumed that any costs associated with the zone change and General Plan amendment would be absorbed by the City. For purposes of analysis, we have relied upon the information provided by the City and have appraised the subject property assuming that the zone change and General Plan Amendment would be approved if sold to a private party. **Riggs & Riggs, Inc. reserves the right to alter the opinion of value if said information was misrepresented or should change.**
25. The subject property comprises APN 5138-016-913 (Scenario One) or a portion of APN 5138-016-913 (Scenario Two). According to ZIMAS, this legal parcel is impacted by multiple case numbers and is located within the following designated areas: Los Angeles State Enterprise Zone, Greater Downtown Housing Incentive Area, Downtown Design Guide Project Area, Staples Streetscape, Downtown Adaptive Reuse Incentive Area, Central City Parking area, Downtown Parking area, South Park Business Improvement District, Los Angeles Renewal Community, and Central City Revitalization Zone. Additionally, a number of the comparable sales utilized in this report are also located in the City of Los Angeles and are impacted by multiple case numbers and/or located within multiple designated areas. Riggs & Riggs, Inc., was referred to Senior City Planner Jon Foreman for information regarding ZIMAS case numbers and designated areas. Mr. Foreman and his staff researched the case numbers and designated areas impacting the subject property and comparable sales and provided a summary of those that they considered most pertinent. The items that were considered to have an impact on the subject property are discussed in the Zoning section of this report and were considered in our analysis. The items that were considered to have an impact on the comparable sales are discussed on the data sheet for each respective sale and were also considered in our analysis. It is assumed that any case number or designated area not specifically addressed by Mr. Foreman does not impact the subject and/or comparable sales. **Riggs & Riggs, Inc., reserves the right to alter the opinion of value if provided with additional information subsequent to the date of this report.**
26. In addition to providing an opinion of the market value of the fee simple interest in the subject property as of November 3, 2011, the client has requested that Riggs & Riggs, Inc., calculate the market ground rent as of March 26, 2053 in each scenario. Since this represents a future date, Riggs & Riggs, Inc., has calculated the market ground rent based upon the market value of the fee simple interest as of November 3, 2011, assuming an annual growth rate of 2.0 percent between November 3, 2011 and March 26, 2053 for valuation purposes, and applying a market-derived rate of return on the land. The market ground rent calculations will be utilized in negotiations with the proposed developer, AEG, to establish a ground lease rate for the subject property as outlined in a draft document titled "Memorandum of Understanding between City of Los Angeles and Anschutz Entertainment Group, Inc.," ("MOU"), which will extend the current ground lease to approximately 2067. The subject property is improved with Staples Center, which was erected and is owned by the ground lessee. Although the terms of the current ground lease indicate that ownership of the improvements reverts to the City of Los Angeles upon its termination on March 25, 2053, the MOU calls for extending the ground lease without discussion of the improvements. Since the improvements will be approximately 55 years old in 2053, and any attempt to estimate the degree of maintenance and renovation/modernization that will occur in the interim would be purely speculative, it is assumed that they will have reached the end of their economic life and that the lease extension will supersede the terms of the original ground lease. The value of the improvements has therefore not been considered in the calculation of market ground rent. **Riggs & Riggs, Inc., reserves the right to alter the opinion(s)**

of value if presented with additional or differing information subsequent to the date of this report.

27. This Summary Appraisal Report has been prepared for the sole and exclusive use of representatives with KNN Public Finance, the City of Los Angeles, and Public Resources Advisory Group, and is not intended for any other user. We request that you seek our written authorization before releasing the report to any other party. Any third party who relies on this report does so at their own risk.
28. The liability of Riggs & Riggs, Inc., is limited to the fee paid for the appraisal services. Riggs & Riggs, Inc., is not responsible for erroneous information provided by others.
29. Riggs & Riggs, Inc., is not a necessary party in any inquiry or judicial proceeding and will not be called to testify in any litigation or other proceeding arising out of their duties in this matter. If Riggs & Riggs, Inc., is compelled to incur court costs, attorney fees or other out-of-pocket expenses in connection with court proceedings, such costs or expenses together with the appraiser's usual hourly per diem of \$250.00 per hour for professional services for study preparation, testimony or travel will be paid by the party (or parties) who acts to bring any suit requiring a judicial proceeding.

CERTIFICATION OF THE APPRAISER

I certify that, to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.

I have no personal bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the opinion of value, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

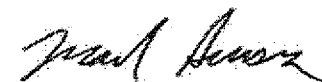
Mark D. Brusca made an inspection of the property that is the subject of this report on September 14 and November 3, 2011. The date of value is November 3, 2011.

No one provided professional assistance to the persons signing this assignment.

As of the date of this report, Mark D. Brusca, has completed the requirements of the Continuing Education Program of the Office of Real Estate Appraisers. I certify that use of this report is subject to the requirements of the Appraisal Institute relative to review by its duly authorized representatives.

Respectfully submitted,

RIGGS & RIGGS, INC.



Mark D. Brusca
SCREA No. AG036814
Expires March 29, 2013

CERTIFICATION OF THE APPRAISER

I certify that, to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.

I have no personal bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

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The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.

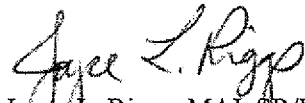
Joyce L. Riggs, MAI, SR/WA made an inspection of the property that is the subject of this report on September 21, 2011. The date of value is November 3, 2011.

No one provided professional assistance to the persons signing this assignment.

As of the date of this report, Joyce L. Riggs, MAI, SR/WA, has completed the requirements of the Continuing Education Program of the Office of Real Estate Appraisers, the Appraisal Institute, and the International Right of Way Association. I certify that use of this report is subject to the requirements of the Appraisal Institute relative to review by its duly authorized representatives.

Respectfully submitted,

RIGGS & RIGGS, INC.



Joyce L. Riggs, MAI, SR/WA
SCREA No. AG005451
Expires April 7, 2013

APPRAISAL REPORT

IDENTIFICATION OF THE PROPERTY

The subject property is located at 1111 South Figueroa Street in the City and County of Los Angeles and State of California. The United States Postal Zip Code is 90015. The Los Angeles County Thomas Guide reference is page 634, grid D/5. The U.S. Census Tract Number is 2077.10.

LEGAL DESCRIPTION

Although requested, Riggs & Riggs, Inc., was not provided with a Preliminary Title Report specific to the subject property. In Scenario One, the subject consists of APN 5138-016-913; in Scenario Two, the subject consists of a portion of APN 5138-016-913. The legal description for APN 5138-016-913 is summarized as: a vacated street, lots 2 and 3 and a portion of lot 1 of tract 28165. The legal description for the subject property is also included in the Preliminary Title Report that was provided to Riggs & Riggs, Inc., a copy of which can be found in the Addenda to this report, and which covers 9 parcels labeled Parcel A through Parcel I, although it does not identify which parcel or parcels represent the subject.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to develop the annual market ground rent for the subject property as of March 26, 2053 based upon an opinion of the market value of the fee simple interest in the subject property, underlying land only, as of November 3, 2011 under two scenarios: 1) assuming a gross site area of 371,050± square feet, or 8.52± acres; and 2) assuming a gross site area of 352,875± square feet, or 8.10± acres. **Please refer to Extraordinary Assumption Nos. 20 and 21.**

INTENDED USE/USER OF THE APPRAISAL

The intended use of this Summary Appraisal Report is for negotiations between the proposed developer, Anschutz Entertainment Group, Inc., (AEG) and the property owner, the City of Los Angeles, to establish market ground rent for a proposed lease extension, City planning decisions, and municipal bond financing. This appraisal has been prepared for the sole and exclusive use of representatives with KNN Public Finance, the City of Los Angeles, and Public Resources Advisory Group, the intended users, and is not intended for any other user. The client is KNN Public Finance. Any third party who relies on this appraisal does so at their own risk.

PROPERTY RIGHTS APPRAISED

The property rights to be appraised are the fee simple interest in the subject property, underlying land only.

DATE OF REPORT

The date of report is December 8, 2011.

DATE OF VALUATION

The date of value is November 3, 2011.

DATES OF INSPECTION

The dates of inspection were September 14 and 21 and November 3, 2011.

OWNER OF RECORD

According to the Preliminary Title Report, the fee title to the subject property is vested in:

THE CITY OF LOS ANGELES

DEFINITIONS

Market Value:

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”¹

Market Rent

“The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).”²

Fee Simple Estate

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”³

¹ Definition from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery and Enforcements Act (FIRREA) of 1989.

² *Dictionary of Real Estate Appraisal* (Fifth Edition 2010), Appraisal Institute, Pages 121-122.

³ *Id.*, Page 78.

SCOPE OF THE ASSIGNMENT

The scope of this appraisal involved a thorough analysis of the subject property with respect to physical, legal, and economic factors in order to develop a reasonable opinion of the market value and annual market ground rent under two scenarios. Various local agents and services, such as CoStar Group, Inc., MLS, CARETS Commercial, and NDCData.com, provided information concerning comparable sales. Buyers, sellers, or their representatives were contacted to verify information when possible. This investigation also included discussions with city and county officials, as well as researching recent market trends.

A search of similar properties was undertaken with respect to the comparable land sales in developing an opinion of the Market Value of the fee simple interest in the subject property (underlying land) as of November 3, 2011 in each scenario, using the Sales Comparison Approach to value. In each scenario, the concluded market value was multiplied by a future value factor in order to derive the market value of the land as of March 26, 2053. An appropriate rate of return was then applied to derive a market ground rental rate for each year. **Please refer to Extraordinary Assumption Nos. 20, 21, 22, 23, 24, 25 and 26.**

PROPERTY HISTORY

According to the Preliminary Title Report prepared by Chicago Title Company, the subject is vested in The City of Los Angeles. Although public record does not indicate when the property owner acquired the property, the last recorded transfer of the subject property occurred on March 27, 1998 for no consideration, according to a Parcel Profile Report obtained from the Los Angeles Department of City Planning. No transfers are known to have occurred within the last three years, and the property is not currently listed for sale or available in the open market.

REGIONAL DATA

The subject property is located within the County of Los Angeles. The following is a discussion of the environmental, governmental, social, and economic forces affecting the stability of the real estate market and the subject property. This section of the report will analyze the effect that these forces have on the economic bases of the state, county, and subject's trade area, relative to the subject property.

California had a Gross Domestic Product (GDP) of approximately \$1.9 trillion in 2010 and would rank 9th as a separate nation, ahead of Canada, Russia and India. The Los-Angeles 5-County Metropolitan Area accounted for approximately \$835 billion and would rank 16th as a separate nation, ahead of the Netherlands, Turkey and Indonesia. Clearly, the region is a major economic center of development.

The State experienced a period of economic growth between 1995 and 2001, during which time the state underwent a transition from a predominantly aerospace and defense industry reliant economy to a diversified economy with the expansion of radio, television and film industries, a rise in the professional and service sectors and an increase in trade and manufacturing resulting from its position as an entry point for Pacific Rim goods. The state slipped back into recession in late 2001, emerging in late 2003 and 2004 due to higher spending by the Department of Defense and other governmental agencies leading to modest job gains. The state experienced modest growth between 2005 and 2006.

California is currently in the midst of a deep recession that started with weakness in housing and mortgage finance in 2007 and 2008, and subsequently spread to the rest of the economy. The situation has been exacerbated by soaring energy prices, which have caused further problems for businesses and consumers. A number of prominent retail chains have shrunk or disappeared altogether, and auto dealerships have suffered from the combined impact of high fuel prices and the credit crunch. State and local government revenues have fallen, and unemployment has risen across the State, with the majority of job losses in the manufacturing, retail trade, and construction sectors. Conditions are expected to stabilize in 2011, with recovery anticipated in 2012.

Preliminary estimates indicate that California experienced an annual unemployment rate of 11.3% in 2010. The current unemployment rate in the state as of January 2011 is 12.4%. Personal income grew by 2.7 % in 2010 following a rare decline of 2.4% in 2009, and is expected to grow by 4.6% in 2011. Taxable Retail sales increased by an estimated 6.6% in 2010, after a 12.9% decline in 2009, and are expected to increase by 6.5% in 2011. New home construction is expected to increase by 9.0% in 2011, while non-residential construction is expected to decline by 7.2%. Overall, California's economy is expected to stabilize in 2011, with more substantial recovery predicted for 2012.

Location and Physical Factors

The subject is located within the Los Angeles County Metropolitan Area (LAMA). The LAMA contains five counties: Los Angeles, Ventura, Orange, Riverside, and San Bernardino. San Diego County is not considered part of the LAMA, but is located within Southern California.

Los Angeles County contains 4,084 square miles, and is the largest county in the state in terms of population. The County is comprised of 88 cities and unincorporated areas. Los Angeles County is located in the southwestern part of California and borders the Pacific Ocean to the south and west. It is bounded by the following regions:

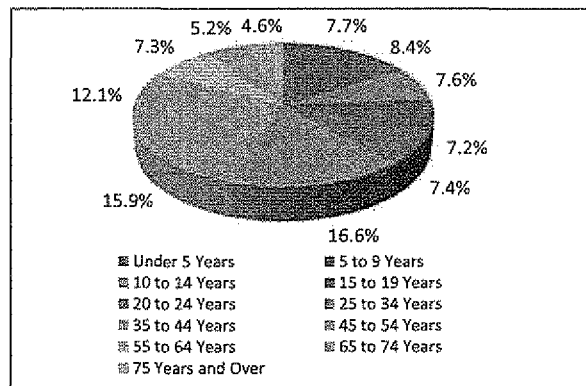
- On the NorthKern County
- On the SouthOrange County
- On the East.....San Bernardino County
- On the WestVentura County

The terrain of the County varies from a broad coastal plain, known as the Los Angeles basin, to mountain ranges separated by interior valleys. Major mountain ranges include the San Gabriel Mountains, Santa Monica Mountains, Santa Susana Mountains, and Puente Hills. The interior valleys include the San Fernando Valley, San Gabriel Valley, Pomona Valley, and Antelope Valley. There are several minor fault lines located in Los Angeles, which connect to California’s major fault line, the San Andreas Fault.

Los Angeles County experiences a Mediterranean-like climate, sunny and warm, with a mean annual temperature of 61.7 degrees Fahrenheit. Due to the mild climate, Los Angeles County has lower heating and air conditioning costs than most cities in the United States. The mean annual rainfall is 12.9 inches, and its mean annual humidity is 65%. A favorable climate has contributed greatly to the growth of the region. However, during the past several decades, the area has experienced increased air pollution due to smog. Governmental agencies at the state and local levels, through zoning and transportation regulations, have had moderate success in reducing this hazard.

Sociological Factors

According to U.S. Census 2000, Los Angeles County has a population of about 10 million people. The County accounts for almost 30% of the California population. The population has grown at a steady pace and has increased over 13% since 1990. Foreign immigration and natural births added 50% to the region’s growth over the past decade. However, population growth is expected to continue at a slower pace in the future. The chart below reflects the age distribution of Los Angeles County.



AGE DISTRIBUTION
(U.S. CENSUS BUREAU 2000 STATISTICS)

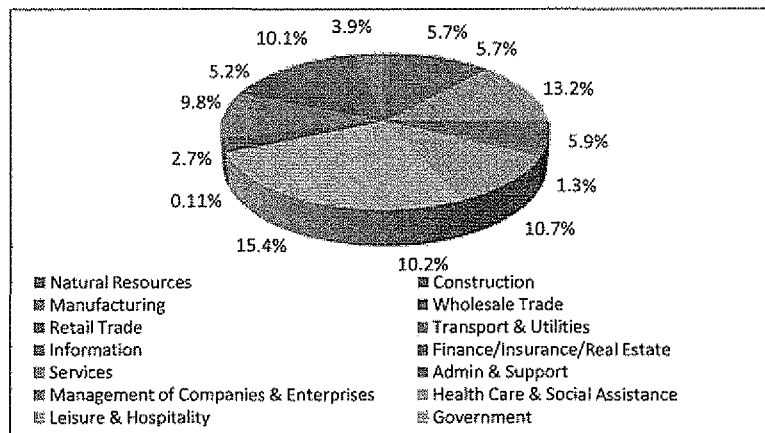
According to the U.S. Census 2000, Los Angeles County residents are predominantly between the ages of 25-34 years old (16.6%). Los Angeles County has over 3.2 million housing units and an average household of 2.87 persons.

There are many social and cultural facilities that enhance the desirability of the County. Recreational amenities include beaches and harbors along the Pacific Ocean, marinas, golf courses, parks, theaters, and entertainment centers. Cultural facilities include numerous colleges and universities, libraries, and museums. Health care facilities, including hospitals and acute-care nursing homes, are well-represented in the County. Some points of interest within the County are: Los Angeles Civic Center, Chinatown, Dodger Stadium, Aquarium of the Pacific, J. Paul Getty Museum, Huntington Library, Griffith Park, Greek Theatre, Hollywood Bowl, Hollywood Park, Santa Anita Racetrack, Grauman's Chinese Theatre, Hollywood Walk of Fame, La Brea Tar Pits, Los Angeles County Museum of Art, the Museum of Contemporary Art, Los Angeles Zoo, Los Angeles County Music Center, Norton Simon Museum, Queen Mary, Rose Bowl, Six Flags Magic Mountain, and Universal Studios. These points of interest attract local residents and are also visited by millions of tourists worldwide.

Some new and major projects under construction in Los Angeles County include the 1.4 billion dollar Alameda Corridor East Project, Los Angeles/Long Beach Port Expansion, MetroRail line extensions, the expansion of Los Angeles International Airport, and "L.A. Live," a retail/entertainment/hotel complex in downtown Los Angeles. Recently completed projects include the JW Marriott hotel in downtown Los Angeles at "L.A. Live," as well as the W Hotel in Hollywood.

Economic Factors

Los Angeles County is a major economic center for the city, state, and national level. According to the 2011-2012 Economic Forecast & Industry Outlook, Los Angeles County's GDP would be \$505 billion, which would rank 20th in the world if it were a separate nation. Los Angeles County has a very diverse economic base, as indicated in the following table.

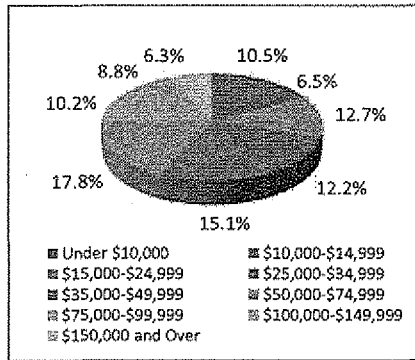


2010 NONFARM EMPLOYMENT IN LOS ANGELES COUNTY
(LOS ANGELES ECONOMIC DEVELOPMENT CORPORATION 2010 BENCHMARK)

The economy is diverse with no single sector dominating the market. Education, health services, information, and professional business services are expected to add jobs in 2010, while retail, manufacturing, construction, and government are expected to lose jobs.

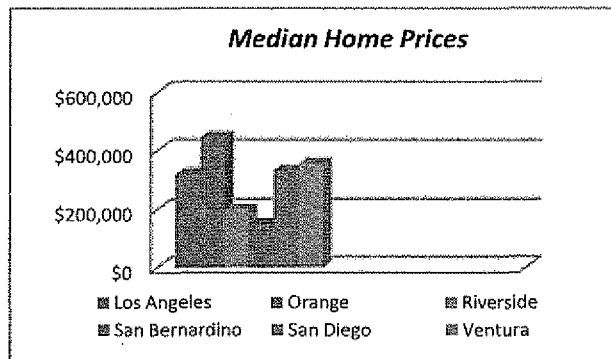
The excellent public and private services offered in Los Angeles County are major industries in their own right. A vast network of hospitals and health care facilities, educational institutions, entertainment productions, and sporting events are major building blocks that demonstrate the growth of Los Angeles County. According to the Los Angeles County Office of Education, Los Angeles County has 2,230 public schools, with over 1.5 million students enrolled at the elementary and secondary levels. The County has a number of local programs to successfully integrate students into the workplace and enhance teacher skills. The area will continue to progress with its vast pool of skilled and unskilled workers and economic activity. Business, cultural, and geographic diversification of Los Angeles County will play a prominent role in the local, regional, and national economies.

The per capita income for Los Angeles County is expected to be \$40,446 in 2011, below the state average per capita income of \$43,138, and the Consumer Price Index is expected to rise by 2.0%. According to the U.S. Census Bureau 2000 statistics, Los Angeles County has a median household income of \$40,929 and an average household size of 2.87 persons. Approximately 18% of the income earned is between \$50,000 and \$74,999. The following chart illustrates household income in Los Angeles County.



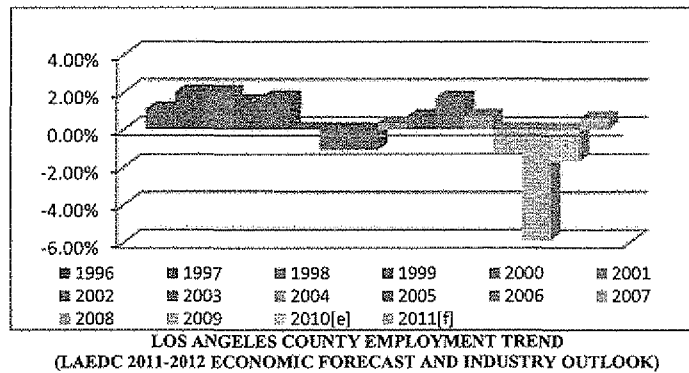
HOUSEHOLD INCOME
(U.S. CENSUS BUREAU 2000 STATISTICS)

According to DataQuick News, Los Angeles County has the fourth highest housing cost in Southern California, while neighboring Orange County has the highest cost. The median Los Angeles County home price was \$318,000 as of June 2011, down from \$335,000 in June 2010. The chart below shows the median housing selling prices in Southern California as reported by DataQuick News in July 2011.



SOUTHERN CALIFORNIA MEDIAL HOUSING SELLING PRICE
(DATAQUICK NEWS JULY 2011)

During the past decade, Los Angeles County's economy underwent major job restructuring due to the national recession of the 1990s. As presented below, the economy experienced generally increasing job growth between 1996 and 1998, and generally decreasing growth between 1999 and 2001. It slipped into recession in 2002 and 2003, before returning to generally increasing growth between 2004 and 2006. The rate of job growth decreased in 2007, and turned negative between 2008 and 2010. Current forecasts anticipate a gain of 0.6%, or 24,100 jobs, in 2011. California had an unemployment rate, not seasonally adjusted, of 12.1% as of June 2011, down from 12.2% in June 2010. Los Angeles County had an unemployment rate, not seasonally adjusted, of 12.4% as of June 2011, which is equivalent to the rate as of June 2010.



Historically, Los Angeles County has been the second largest business and post-industrial economic center in the United States, due to its diversity of people, cultures, scenery, climate, and physical environment. It has been a highly influential force in the Western United States and the Pacific Rim. Los Angeles County accounts for one-third of California's total economy and is the nation's leading manufacturing and aerospace center. Although the manufacturing, trade, and service sectors are predominant, the County is a major center for economically resilient industries such as telecommunication, motion pictures, computer and communications equipment, medical laboratories, television, and business services.

In summary, Los Angeles County is expected to experience a gradual economic improvement throughout 2011, after recessionary conditions throughout 2010. Personal income, taxable retail sales, and nonfarm employment are all expected to increase after the steep decline from the previous year. According to the Los Angeles County Economic Development Corporation 2011-2012 Economic Forecast and Industry Outlook, some of the factors that will influence economic conditions in Los Angeles County in 2011 include:

- Improvement in international trade and tourism;
- Increased public sector construction due to the federal government's infrastructure program;
- Improving retail sales;
- Continued decline in the nonresidential real estate sector, with high vacancies and declining lease rates and property values;
- Little improvement in residential construction due to an oversupply of apartments and condominiums; and
- Ongoing financial problems for local governments due to the decline in home values, drop in retail sales and the state's perpetual budget problems.

Transportation Factors

Regional transportation in Los Angeles County includes highways, air, rail, and other means of travel. The heart of the County's vast transportation system is its advanced highway system. This mass transit system, consisting of hundreds of miles of highways and freeways, connects Los Angeles County to the rest of California and the United States. The freeway system that serves Los Angeles County includes, but is not limited to, U.S. Interstate 5, U.S. Interstate 10, U.S. Interstate 405, and Highway 101. Los Angeles County has the largest freeway system in the world and allows commuters to travel in any direction within the County.

Los Angeles County is situated near several major airports with relatively short driving distances. Los Angeles International Airport (LAX) is the primary international airport that services the region. It is the 3rd largest airport in the world and the key facility in Southern California airport network. Fueled by the growing volume of LAX activity, intensive development of commercial land is noticeable in the airport area. Bob Hope Airport (BUR) does not offer international service, but provides commuter air service to major national cities. This airport caters to 4.9 million travelers per year on six major carriers, with more than 70 flights daily. The Los Angeles County Metropolitan Area has three other metropolitan airports to serve the

region: John Wayne Airport (SNA), Ontario International Airport (ONT), and Long Beach Airport (LGB). This network of airports serves as a travel medium for residents and an economic portal for businesses.

Los Angeles County provides both public and commercial rail use. MetroRail commuter rail lines provide linkage to neighboring counties and are quickly becoming an alternate source of transportation. Long Beach and Los Angeles County Harbors are found in the heart of Los Angeles County. They are the second and third largest economic ports in the nation, respectively. They contain 9.2 square miles and as one entity rank as the 2nd largest economic port in terms of dollar value of exports and imports. Together, L.A. and Long Beach Harbors handle more than half of the United States Pacific Coast tonnage. This vast maritime center is an economic stimulus to the region, generating nearly 300,000 jobs and billions of dollars in annual revenue. Port Hueneme and San Diego Harbor are found west and south of Los Angeles County, respectively. National and international businesses use these ports as their gateway for trade with North and South America, Europe, and Asia.

Technological advancements in transportation and innovative changes in the workplace will continue to improve, including flexible work schedules, child care facilities for employees, and telecommunications systems for employees to work at home. Since 1975, air quality control programs have evidenced a 35 percent decline in emissions of reactive organic gases and nitrogen oxides. Carbon monoxides emissions have dropped by 45 percent during the last decade; smog alerts have declined 60 percent. With modern technology, transportation and air quality should continue to improve.

Governmental Factors

Los Angeles County consists of incorporated and unincorporated cities. The unincorporated portions of the County are governed by a five-member Board of Supervisors elected to four-year terms. The County provides key municipal services, such as fire and police protection, to many of its unincorporated cities. The larger incorporated cities provide their own municipal services. Los Angeles has an elected mayor who leads the administrative branch of the government. The legislative branch, represented by 15 City Council members, is elected by voters to 4-year terms to administrate over the City and its services.

Additionally, the State of California provides many services for residents through their employment services, state parks, regulatory agencies, and state highway system. The services provided by the City, County, and State agencies have been adequate, despite budget cuts resulting from the passage of Proposition 13 in 1978 and past recession. Given the continued stability of local government, along with adequate revenues, these municipal services are expected to continue.

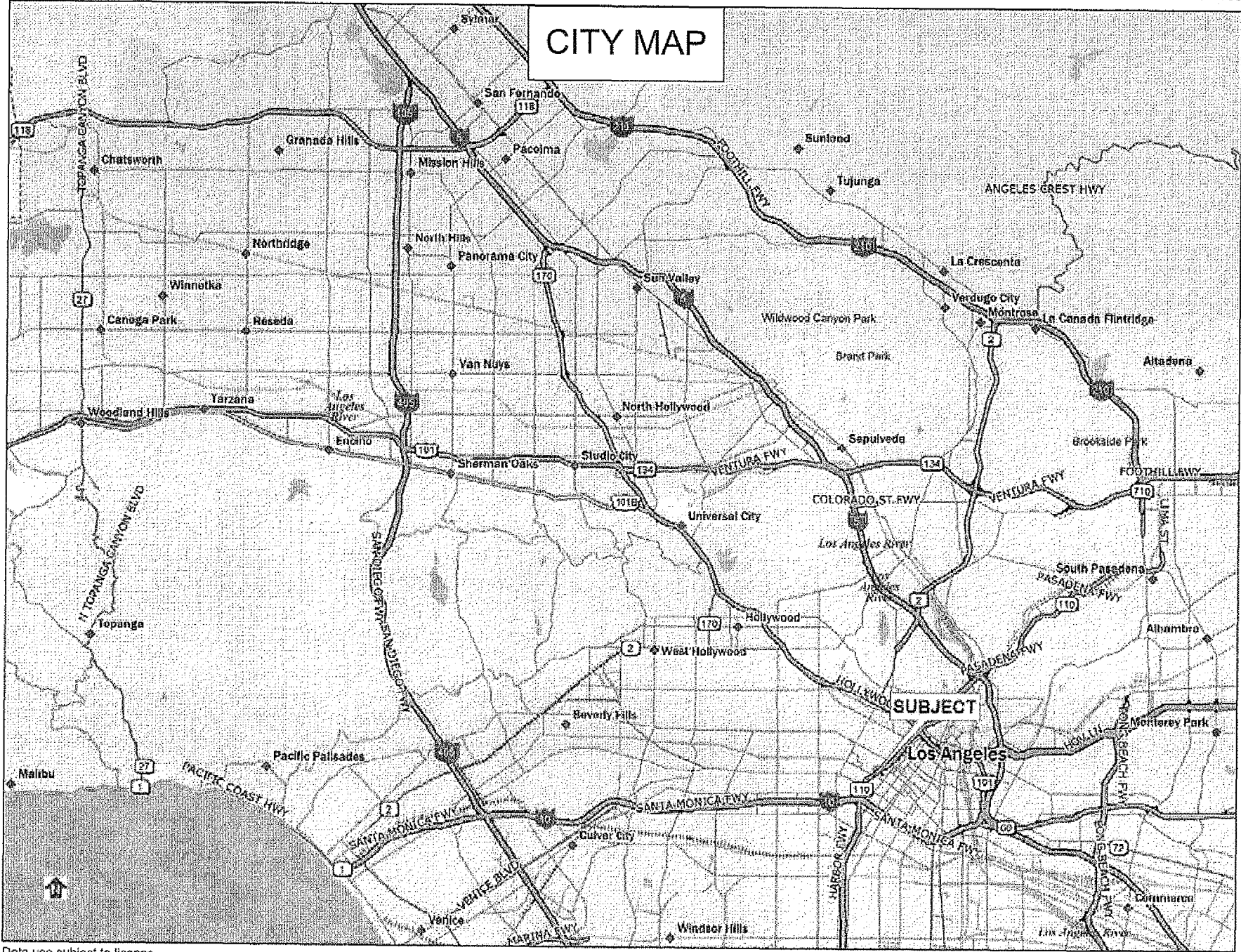
Future Outlook

The area's extraordinary expansion has created important challenges to its future growth (i.e., affordable housing, clean air, adequate water supply, and traffic congestion). Los Angeles County is a freeway county with many centers of economic activity. Distance is measured in terms of driving time, not miles. As traffic congestion increases, freeway and light rail access have become critical considerations for Los Angeles County and its commuters.

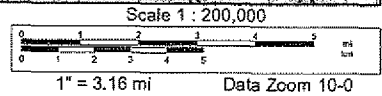
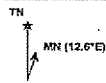
Despite the challenges that Los Angeles County faces, the region is expected to retain its premier position in the world for decades to come. This is supported by its strategic location, role among trading nations of the Pacific Rim and South America, vast transportation network, vital marketplace, skilled workforce, and climate. The region is expected to stabilize through 2011, after experiencing recessionary conditions through 2010; however, many of the County's major industries are expected to continue to struggle through 2012.

[The following articles and sources have been used in development of the Regional Analysis: "2011-2012 Economic Forecast & Industry Outlook," Los Angeles County Economic Development Corporation; various articles from the Los Angeles Times; 1994-2011 Labor Market Information, California Employment Development Department; www.factfinder.census.gov, U.S. Census Bureau website; www.bls.gov/iaa, U.S. Department of Labor Bureau of Labor Statistics website; lacounty.info, Los Angeles County website; www.dqnews.com, DataQuick News website]

CITY MAP



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CITY DATA

The subject property is located within the City of Los Angeles. The following is an analysis focusing on the physical characteristics, land use, demographics, and employment of the City of Los Angeles.

Los Angeles is the largest city in California encompassing 468.7 square miles. The City stretches from the Pacific Ocean to the Santa Monica Mountains and San Gabriel Mountains. Geographically, it is divided into three areas: the inland Los Angeles Basin, the San Fernando Valley, and the coastal areas. The City has a mild temperature year-round due to the Pacific Ocean breezes and Santa Ana winds. There are 35 planning areas located within the City.

Land Uses

Development in Los Angeles began in the Los Angeles Basin area and emanated to the surrounding suburbs of the San Fernando Valley and coastal areas. The downtown Los Angeles area is the financial core of the City and home to numerous high-rise buildings, luxury hotels, and popular eateries. This area also houses the City's wholesale districts, including the Flower Mart, the Garment District, and the Jewelry Mart.

Los Angeles has been a popular tourist destination for more than a century, with attractions that include the Hollywood Wax Museum, Hollywood Bowl, Mann's Chinese Theater, Pantages Theater, the Music Center (comprised of the Ahmanson Theater, the Mark Taper Forum, the Dorothy Chandler Pavilion, and the Disney Concert Hall), the MOCHA art gallery, Dodger Stadium, Kodak Theatre, and Staples Center/L.A. Live. The City has seen several waves of high profile foreign investment, including Middle Eastern investment during the energy crisis of the 1970's, Japanese investment during Japan's stock market boom of the 1980's, Korean investment during the 1990's, and ongoing investment currently dominated by the Chinese.

Los Angeles has been developed with a wide-range of single and multi-family residential, commercial office, retail, and industrial buildings, as well as schools, hospitals, religious institutions, public parks, and other community and recreational/entertainment facilities and services. Redevelopment is occurring in the older areas of the City due to gentrification and organized Redevelopment Agencies. Some recent projects include the mixed-use 1600 Vine project, the LAX Tom Bradley Terminal renovation, and the L.A. Live entertainment campus.

Population

As of January 1, 2011, the City of Los Angeles population was estimated at 3,810,129, a 0.4 percent increase from the January 1, 2010 population of 3,793,106. In 2000, Los Angeles was ranked as the second largest city in the United States with a population of 3,694,820, according to the Census Bureau. In 1980, the City was ranked as the third largest city in the United States with 2,966,850 people. Population is expected to continue to grow in the near to mid-term. According to DQNews, the median home price was \$309,000 as of July 2011, which is a 3.4 percent drop from the July 2010 median price of \$320,000.

Government and Community Services

The City government offices are housed in the Civic Center. Buildings within the Civic Center include the Federal Building, City Hall, the County Courthouse, the Hall of Administration, the Hall of Records, Los Angeles Department of Water & Power, Los Angeles County Criminal Courts, the County Jail, Parker Center, Ronald Reagan State Office Building, Terminal Annex Post Office, and the Employment Development building.

City of Los Angeles schools are part of the Los Angeles Unified School District, the second largest public school system in the country, behind the New York City school district. Enrollment in grades K through 12 for the 2010 - 2011 school year was 671,648. Additionally, there are numerous two-year, four-year, and graduate level colleges and universities throughout the City, including University of Southern California (USC), University of California at Los Angeles (UCLA), Cal State University at Los Angeles (CSULA), Cal State University at Northridge (CSUN), as well as several privately-funded educational institutions.

Transportation and Access

Excellent regional transportation systems serve the City of Los Angeles. Major interstate freeways bisecting the city include the San Diego (I-405), Golden State (I-5), Santa Monica (I-10), Harbor (I-110), and Glenn Anderson (I-105) Freeways. Additionally, there are several U.S. Highways and County Highways.

Residents are provided interstate and transcontinental bus service via Greyhound Bus Lines. Local commuter service is provided by Southern California Metropolitan Transit Authority. Air transportation is provided by LAX, and ocean transportation is provided by the port harbor areas, as previously discussed in Regional Data. There are several Metro Rail Lines, both above and underground, that connect downtown Los Angeles and provide transportation to satellite cities in and around Los Angeles. The City plans to spend \$150 billion over the next 30 years on regional transportation to build light rail, heavy rail, and commuter rail systems.

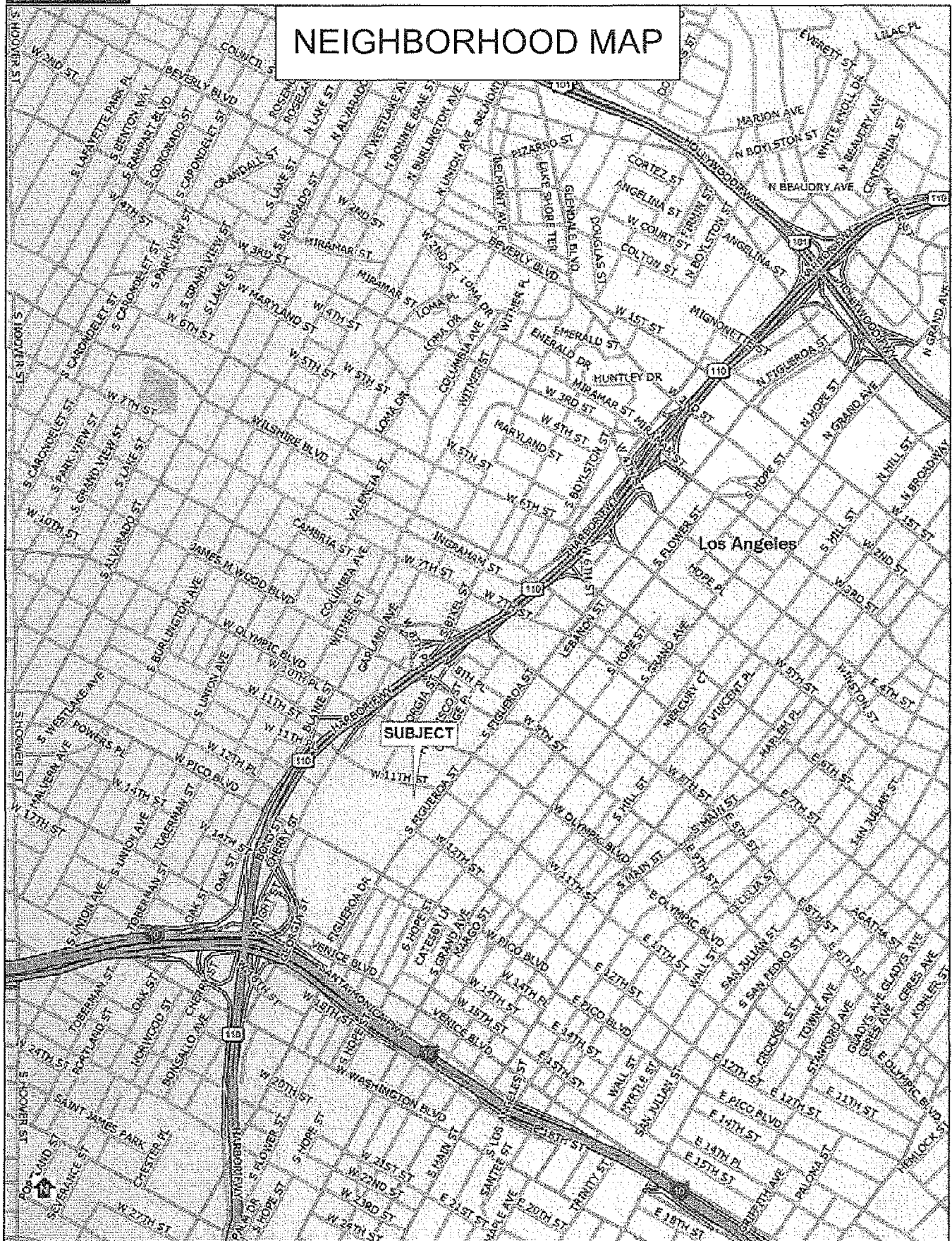
Employment

Los Angeles has a very strong and diversified economic base, with no one sector being dominant. The City is home to one of the world's busiest ports and international airports. The downtown Los Angeles Area is the financial, professional, and retail center of the City, which is active in both domestic and international trade. The banking and finance industry is strong in Los Angeles, with over 100 foreign and even more domestic bank branches in the City. The manufacturing sector is also very strong in the City. Goods from the aerospace, agricultural, textiles, fabricated metals, rubbers, plastics, electrical equipment, computer equipment, and motion picture industries are all produced in Los Angeles. The unemployment rate for the City in June 2011 was 13.6 percent, down from 13.7 percent in June 2010.

Conclusion

The City of Los Angeles is a well-established area that is supported by the professional, financial, and entertainment industries and related tourist industry. The local economy is currently stabilizing after experiencing recessionary conditions due to the financial lending crunch caused by the subprime market and rippling through the economic markets. Assuming no adverse changes in the local or national economy, the future outlook for the City of Los Angeles is expected to be generally stable for the foreseeable future.

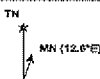
NEIGHBORHOOD MAP



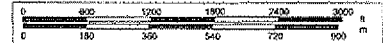
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Scale 1 : 20,800



1" = 1,733.3 ft Data Zoom 13-3

NEIGHBORHOOD DATA

The subject property comprises the underlying land of Staples Center (Scenario One) or a portion of Staples Center (Scenario Two) in downtown Los Angeles. It is adjacent and northeast of the Los Angeles Convention Center and adjacent and south of L.A. Live; the Civic Center is located approximately 1.7 miles to the northwest. The neighborhood is generally defined by the Hollywood/Ventura (101) Freeway to the north, the Pasadena/Harbor (110) Freeway to the west, San Pedro Street to the east, and the Santa Monica (10) Freeway to the south.

The subject neighborhood provides a mixture of commercial, residential, industrial and public uses and is nearly built-out. Commercial uses are primarily located in the central and western portions of the neighborhood, while industrial uses are located in the southeastern portion. Public and residential uses are scattered throughout the neighborhood, with the greatest concentration of public uses located in the northeast and southwest and the greatest concentration of residential uses located in the south. Properties vary in age, quality, and condition. The neighborhood is considered to be in a stable to revitalization stage of development.

Major traffic arterials in the neighborhood include Venice, Pico, Olympic, Wilshire and Beverly Boulevards; 3rd, 6th, 9th, Alameda, San Pedro, Main, Spring, Hill, and Figueroa Streets; and Grand and Central Avenues and Broadway are the major traffic arterials in the subject neighborhood. The closest access to the Pasadena/Harbor Freeway is at 11th Street, adjacent and northwest of the subject, and the closest access to the Santa Monica Freeway is at Flower Street, approximately ½ mile southeast of the subject. Union Station and the Patsaouras Transit Plaza are located just northeast of the subject neighborhood, providing Amtrak, commuter Metrolink, and subway Metrorail service, as well as several local transit bus lines, including the MTA and downtown DASH shuttles. Air transportation is available via Los Angeles International Airport located 11 miles southwest of the subject.

In conclusion, the subject is located in proximity to commercial and industrial development, residential subdivisions, major thoroughfares, and regional transportation systems. These transportation systems provide linkage to rail, airport, and shipping facilities. Community facilities including libraries, parks, golf courses, schools, and hospitals are located nearby. The continued and future acceptance of the neighborhood appears stable.

**SITE DESCRIPTION
COMMON CHARACTERISTICS**

Location

The primary address for the subject site is 1111 South Figueroa Street in the City and County of Los Angeles and State of California, 90015. According to ZIMAS, the site has the following secondary addresses: 740 West 11th Street, 751 West 12th Street, and 1191 South Figueroa Street. The Los Angeles County Thomas Guide reference is page 634, grid D/5.

Topography/Drainage

Topography of the subject site is generally level. At the time of inspection, no flooding or ponding was evident. The subject is not located within a special flood hazard area. The site is located in Zone X of National Flood Insurance Program (NFIP) Map No. 06037C1620F, which is dated September 26, 2008. Zone X is defined as an area of minimal to moderate flood hazard. Flood hazard insurance is available, but not required by federal regulations. **Please refer to Extraordinary Assumption No. 20.**

Nuisances and Hazards

Although requested, Riggs & Riggs, Inc., was not provided with a Phase I or II Environmental Site Assessment Report pertaining to the subject site. It is assumed that there are no hazardous materials on or in the property that would cause a loss in value. **Please refer to Extraordinary Assumption No. 19.**

Soils and Geology

According to the City of Los Angeles Department of City Planning's Zoning Information and Map Access System (ZIMAS), the subject site is not located within an Alquist-Priolo Earthquake Fault Zone or a landslide or liquefaction zone, although it is located in an unidentified fault zone and a Methane Zone. While the City of Los Angeles Building and Safety, Engineering, and Planning Departments have the authority to withhold permits on projects located within Methane Zones, this is not considered to adversely impact the subject as development is allowed upon approval of detailed plans containing suitable methane mitigation systems.

Although requested, Riggs & Riggs, Inc., was not provided with a soils or geological report for review. The site appears adequate to support construction standards consistent with the highest and best use conclusion. For the purpose of this appraisal, it is assumed that the soil and geological conditions are not unfavorable. **Please refer to Extraordinary Assumption No. 18.**

Utilities

The subject site is located in an urban area, with all typical utilities and services available along Figueroa Street and Chick Hearn Court. Additionally, off-site utilities and improvements including asphaltic streets; concrete curbs, gutters, and sidewalks; storm drains; fire hydrants and streetlights are located along Figueroa Street and Chick Hearn Court adjacent to the subject.

Zoning

The subject site is currently owned by the City of Los Angeles and the majority is zoned PF-4D-O, Public Facilities, although the northeastern 3.70 acres are zoned C2-4D-O, Commercial. According to Senior City Planner Jon Foreman with the Los Angeles Department of City Planning, the entire site would likely be re-zoned C2-4D-O if sold to a private party. **Please refer to Extraordinary Assumption Nos. 24 and 25.**

Uses permitted in the C2 zone include, but are not limited to, art or antique shops, tire shops, restaurants/tea rooms/cafes, advertising signs/structures/billboards, auditoriums or stadiums with a seating capacity of not more than 3,000, automotive fueling and service stations, new and used automobile sales, hospitals, parking buildings, second-hand stores, schools, and motion picture or media production. Additionally, CR, C1, C1.5 and R4 uses are permitted, with some limitations. The O supplemental use district allows oil drilling with a number of limitations.

There are no lot area or setback requirements for commercial uses in the C2 zone; residential uses must meet the lot area and setback requirements for the R4 zone (a minimum lot width of 50 feet and minimum lot area of 5,000 square feet, or 400 square feet per dwelling unit. Setback requirements vary depending upon building height, but are generally 15 feet for the front [10 feet for key lots], 3 to 16 feet for the sides, and 15 to 20 feet for the rear). The subject property is in Height District 4D, which limits CR uses to 75 feet; there are no specific height limits for other commercial uses. Although the maximum Floor Area Ratio (FAR) for R4 and commercial uses is normally 13:1, the "D" prefix refers to an additional development limitation created by Ordinance No. 176647, which reduces the maximum FAR to 6:1, with some exceptions.

Parking requirements vary depending upon use, with retail uses generally requiring 1 parking space for each 250 square feet of gross floor area and residential uses generally requiring 1 parking space for each dwelling unit of less than 3 habitable rooms, 1 ½ parking spaces for each dwelling unit of 3 habitable rooms, and 2 parking spaces for each dwelling unit of more than 3 habitable rooms. The subject property is located within the Central City and Downtown Business District Parking Areas. The Central City Parking Area has reduced parking requirements for residential uses, including a requirement of only 1 to 1 ¼ spaces per dwelling unit. The Downtown Business District Parking Area has reduced parking requirements for a variety of uses, including a requirement of 1 space per 1,000 square feet of gross floor area for business, commercial or industrial buildings having a gross floor area of 7,500 square feet or more.

According to the City of Los Angeles Zone Information and Map Access System (ZIMAS), there are three Zoning Information (ZI) cases that impact the subject property: the Los Angeles State Enterprise Zone (ZI-2374) allows reduced parking ratios and provides economic incentives to stimulate local investment and employment through tax and regulation relief and improvement of public services; the Greater Downtown Housing Incentive Area (ZI-2385) allows a 35 percent floor area bonus for projects that voluntarily provide a prescribed percentage of units for affordable housing; and the Downtown Design Guide Project Area (ZI-2416) requires clearance from the Department of City Planning before grading, foundation, building, sign or use of land permits are issued. The property is also located within the South Park Business Improvement District, which uses property-based assessments to provide services, activities and programs within the district, and the Downtown Adaptive Reuse Incentive Area, which provides a number of incentives to change the use of any eligible existing building or portion thereof to dwelling units, guest rooms, or joint living and work quarters. The subject site appears to conform to current zoning requirements.

General Plan

The General Plan land use designation for the subject is currently Public Facilities for the PF-4D-O-zoned portion and Regional Commercial for the C2-4D-O-zoned portion. Senior City Planner Jon Foreman has indicated that the entire site would likely be amended to Regional Commercial if the property were sold to a private party. The Regional Commercial land use designation is consistent with the C2-4D-O zoning designation. **Please refer to Extraordinary Assumption No. 24.**

Redevelopment Area

The subject was located within the Central Business District Redevelopment Area, which expired on July 18, 2010.

Encumbrances

Although requested, Riggs & Riggs, Inc., was not provided with a Preliminary Title Report specific to the subject site or a map plotting the encumbrances that impact the subject site. Therefore, for the purposes of analysis, it is assumed that any encumbrances impacting the subject property are typical for an urban property and do not adversely impact the site. **Please refer to Extraordinary Assumption No. 23.**

SCENARIO ONE

Location

The subject site is identified as APN 5138-016-913, with a primary situs address of 1111 South Figueroa Street.

Size and Shape

The subject site is irregular in shape and contains a gross area of 371,050± square feet, or 8.52± acres. The approximate boundaries and dimensions of the site are as follows:

North Boundary (Chick Hearn Court)	788.24± Linear Feet
South Boundary	Varies
East Boundary(Figueroa Street).....	731.03± Linear Feet
West Boundary	Varies

Please refer to the exhibit labeled Scenario One on the accompanying page for reference. **Please refer to Extraordinary Assumption No. 20.**

Accessibility and Visibility

The subject site consists of the underlying land of Staples Center located at the signalized intersection of Figueroa Street and Chick Hearn Court in downtown Los Angeles. It is also located opposite the signalized T-intersections of Figueroa Street and 12th Street and Chick Hearn Court and Georgia Street. The site has 731.03± feet of frontage along Figueroa Street and 788.24± feet of frontage along Chick Hearn Court. Although there is no vehicular access due to the current development, the Los Angeles Department of City Planning has indicated that the site has legal access from both Figueroa Street and Chick Hearn Court. **Please refer to Extraordinary Assumption No. 21.**

Figueroa Street is a northeast-southwest, 102± foot wide, asphalt-paved Modified Major Highway II with a painted center median, 3 northeast-bound lanes, 2 southwest-bound lanes, a northeast-bound bus/right turn lane, a northeast-bound left turn lane at Chick Hearn Court, a southwest-bound left turn lane at 12th Street, and a southwest-bound right turn lane at the entrance to the Los Angeles Convention Center located adjacent and southwest of the subject. Chick Hearn Court (formerly 11th Street) is a northwest-southeast, 107± foot wide, asphalt-paved collector street with 2 northwest-bound lanes, 1-2 southeast-bound lanes, a northwest-bound left turn lane at the entrance to the Los Angeles Convention Center located adjacent and west of the subject, and a southeast-bound right turn lane and two southeast-bound left turn lanes at Figueroa Street. Although Chick Hearn Court is over 100 feet wide, the City of Los Angeles identifies it as collector a street.

The field inspection was conducted during normal business hours, and traffic was noted to be moderate to heavy along Figueroa Street and Chick Hearn Court. Regional access to the subject property is provided by the Harbor (110) Freeway at L.A. Live Way approximately 2 blocks southwest of the subject (northbound) or Olympic Boulevard approximately 2 blocks northeast of the subject (southbound), and the Santa Monica (10) Freeway at Grand Avenue approximately 0.6 miles southeast of the subject (eastbound) or Hoover Street approximately 1.1 miles southwest of the subject (westbound). Overall, visibility is considered good-to-excellent and accessibility is considered good.

Site Utility

The subject consists of an irregularly-shaped, generally level, 371,050± square foot, or 8.52± acre, site located at the signalized intersection of a Modified Major Highway II and a collector street and opposite 2 signalized T-intersections. The site has legal access from both Figueroa Street and Chick Hearn Court. The property is adjacent to the Los Angeles Convention Center and L.A. Live and is improved with Staples Center, although only the underlying land has been appraised at the request of the client. **Please refer to Extraordinary Assumption Nos. 20, 21, 22, 23, 24 and 25.** The subject has an adequate frontage-to-depth ratio, with visibility that is considered good-to-excellent and accessibility that is considered good overall. All utilities are available to the site, and there are no apparent on/off-site conditions that detrimentally impact the site's use. The site's configuration and location pose no major developmental problems. The site is similar to other parcels in the neighborhood and is functionally adequate for a commercial, residential or mixed use as permitted under current zoning. Overall, the utility of the subject is considered good.

Real Estate Assessment Data

The subject site, identified as Los Angeles County Assessor's Parcel Number 5138-016-913, is located in Tax Rate Area 00211. The 2011-2012 tax rate is 1.245849 percent. The subject is exempt from all taxes as it is owned by the City of Los Angeles, and therefore is not assessed.

Improvement Summary

The subject site consists of the underlying land of APN 5138-016-913. Although the property is improved with Staples Center, no consideration has been given to any existing buildings or improvements on the site, which were erected and are owned by AEG. **Please refer to Extraordinary Assumption No. 20.**

HIGHEST AND BEST USE

Highest and best use is defined on Page 278 of The Appraisal of Real Estate, Appraisal Institute (13th Edition, 2008), as:

“The reasonably probable and legal use of vacant land or an improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value.”

The concept of highest and best use represents the premise upon which value is based. In the context of the market value definition used in this report, other appropriate terms can also reflect the highest and best use concept. These are the most probable and most profitable use for the site, first "as if vacant" and then "as improved or proposed."

The determination of highest and best use is based not only on an analysis of the property in question, but also on an analysis of the overall community, its history and trends, zoning, market conditions, as well as the basic principles of land utilization.

As indicated in the definition above, there are four elements in highest and best use analysis that must be considered. The highest and best use of a property is that use, among alternate uses, that is legally permissible, physically possible, financially feasible, and maximally productive.

The following factors must be considered as follows:

- Legal Use: The use in question must be legally permissible.
- Physical Use: The use in question must be physically possible.
- Feasible Use: The use in question must be economically feasible, not speculative or conjecture.
- Productive Use: Among the feasible uses, that use which will produce the highest net return to the land.

Factors controlling highest and best use include:

- Type of use;
- Duration of use;
- Location of use; and
- Degree of intensity of use-density.

The highest use of land is dictated by zoning and other government and/or private restrictions. The best use is constituted by that single use from the possible alternative types of improvements which will produce the greatest economic advantage.

The following are our conclusions of Highest and Best Use As-Vacant:

As-Vacant

The Highest and Best Use of the subject as vacant assumes that the property is vacant or could be rendered vacant by demolishing the existing improvements. Based on that assumption, possible uses for the property can be considered among those uses which are legally permissible, physically possible, financially feasible, and maximally productive.

Legal - The subject's zoning is governed and enforced by the City of Los Angeles. The property is currently owned by The City of Los Angeles, and the majority of the site is zoned PF-4D-O, Public Facilities, with a land use designation of Public Facilities, although the northeastern 3.70 acres are zoned C2-4D-O, Commercial, with a corresponding land use designation of Regional Commercial. According to Senior City Planner Jon Foreman, the entire site would likely be re-zoned C2-4D-O, Commercial, with a corresponding land use designation of Regional Commercial, if sold to a private party. **Please refer to Extraordinary Assumption Nos. 24 and 25.** Uses permitted in the C2 zone include, but are not limited to, art or antique shops, tire shops, restaurants/tea rooms/cafes, advertising signs/structures/billboards, auditoriums or stadiums with a seating capacity of not more than 3,000, automotive fueling and service stations, new and used automobile sales, hospitals, parking buildings, second-hand stores, schools, and motion picture or media production. CR, C1, C1.5 and R4 uses are also permitted, with some limitations. The O supplemental use district allows oil drilling with a number of limitations. There are no lot area or setback requirements for commercial uses in the C2 zone; residential uses must meet the lot area and setback requirements for the R4 zone. Parking requirements vary depending upon use. The subject property is in Height District 4D, which limits CR uses to a maximum height of 75 feet; there are no specific height limits for other commercial uses. The D prefix generally limits the Floor Area Ratio (FAR) for R4 and commercial uses to a maximum of 6:1, with some exceptions.

The subject is located within the Los Angeles State Enterprise Zone, which allows reduced parking ratios and provides economic incentives to stimulate local investment and employment through tax and regulation relief and improvement of public services, and the Greater Downtown Housing Incentive Area, which allows a 35 percent floor area bonus for projects that voluntarily provide a prescribed percentage of units for affordable housing. It is also located within the Central City and Downtown Business District Parking Areas, which have reduced parking requirements for a variety of uses.

Although requested, Riggs & Riggs, Inc., was not provided with a Preliminary Title Report specific to the subject property or a map plotting the encumbrances that impact the subject property. Therefore, for the purposes of analysis, it is assumed that any encumbrances impacting the subject property are typical for an urban property and do not adversely impact the site. **Please refer to Extraordinary Assumption No. 23.** These are the legal uses and requirements under the current zoning.

Physical - After identifying the legal uses of the site, the physical uses of a vacant site are considered. Development constraints imposed on a site vary by its configuration, size, and topography, which are fixed in location. The subject is irregular in shape, with a gross area of 371,050± square feet, or 8.52± acres. **Please refer to Extraordinary Assumption Nos. 20, 21 and 22.** The site is not located within an Alquist-Priolo fault zone, although it is located within an unidentified fault zone and a methane zone. Topography is generally level, and the site is considered legally conforming to current zoning requirements. The site is located at the signalized intersection of a Modified Major Highway II and a collector street, with good-to-excellent visibility, good accessibility, and an adequate frontage-to-depth ratio. Taking these physical and legal factors into consideration, the subject site has good utility and appears to be legally and physically suited for a commercial, residential or mixed use consistent with zoning.

Economic - The best use is considered to be that single use from among all the physically possible uses legally-permitted by zoning which will produce the greatest economic advantage to a vacant site. This is due to the fact that real estate is fixed in location and return on land arises from the residual income remaining after all operational and financial expenses are deducted from the gross income.

The subject property is located in downtown Los Angeles and surrounded by L.A. Live to the north, the Los Angeles Convention Center to the south and west, and a parking lot to the east. The downtown area is 99% built-out, and new construction is limited to the redevelopment of existing properties. Economic conditions are stabilizing, and projects that had been suspended due to the recession are starting to move forward.

Based on a cursory review of the legal restrictions and physical site, it is our opinion that it is economically-feasible to develop a commercial, residential or mixed use on the subject site, assuming that financing could be obtained. The maximally productive use is considered to be that single use from among all the physically possible and legally permissible uses that will produce the greatest economic advantage to a vacant site. After review of the legal, physical, and economic factors mentioned relative to the subject, it is our opinion that the highest and best use of the site, as though vacant, is to develop a commercial, residential or mixed use consistent with zoning, assuming that financing could be obtained.

APPROACHES TO VALUE

The valuation of any parcel of real estate is derived principally through the three basic approaches to market value: the Cost Approach; the Income Capitalization Approach; and the Sales Comparison Approach. The methodology used in the following sections of the appraisal include:

Cost Approach - This approach to value is devoted to an analysis of the physical value of the property; that is, the current market value of the vacant land, to which is added the cost to construct the improvements. Any accrued depreciation is deducted for physical deterioration, functional obsolescence, and external obsolescence. Physical deterioration measures the physical wearing out of the property as observed during the field inspection. Functional obsolescence reflects a lack of desirability by reason of layout, style or design of the structure. External obsolescence denotes a loss in value from causes outside the property itself.

Income Capitalization Approach - Investment properties are normally valued in proportion to their ability to produce income. Hence, an analysis of the property in terms of its ability to provide a sufficient net annual return on invested capital is an important means of valuing an asset. An opinion of value by the Income Capitalization Approach is arrived at by capitalizing the net income at an interest rate or investment yield commensurate with the risk inherent in the fee ownership of the property. Such a conversion of income considers competitive returns offered by alternative investments. Commercial developments are considered to be desirable real estate investments.

Sales Comparison Approach - This approach to value is based upon the principle of substitution; that is, when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable property, assuming no costly delay in making the substitution. As no property is identical to another, it is necessary to make adjustments for any differences.

The indications of value derived by the three approaches are not always possible or practical to use. The nature of the property being appraised and the amount, quality, and type of market data available dictates the use or non-use of one or more of the approaches to value. In this appraisal, only the Sales Comparison Approach was utilized since only the underlying land of the subject property is being appraised. The Cost and Income Capitalization Approaches are not applicable.

SALES COMPARISON APPROACH

The application of the Sales Comparison Approach produces an opinion of value for the subject property by comparing it with similar or comparable properties which have recently sold. The comparison process is used to determine the degree of comparability between two properties. This process involves judgment. Similarity in value factors, such as property rights, buyer expenditures, financing, condition of sale, market conditions, location, and physical characteristics are considered meaningful for this analysis.

The sale price of the properties deemed to be most comparable establish a range in which the value of the subject property should fall. Further consideration of the comparative data will result in a figure representing the value of the subject property – the most probable price at which it could be sold by a willing seller to a willing buyer as of the date of the value.

The technique is fairly simple in nature. Sales data of comparable properties are gathered, investigated, and verified. Data sources have been discussed, and each sale is confirmed with buyer, seller, or representative when possible. After verification, comparison is made between the comparable and the subject. Adjustments, if required, are made for any differences between sale and subject. The result is some unit or units of comparison which will be helpful in evaluating the subject property.

The Sales Comparison Approach is used to estimate the value of real estate, based on the theory that an informed and prudent buyer would not pay more for a property than the cost of acquiring another property with the same utility. It is, therefore, based upon the principle of substitution. This approach requires an active market and the availability of other properties from which a buyer can make a choice.

Several transfers are considered reasonably comparable to the subject and suitable for further analysis. Data items are narrowed to those sales which exhibit the greatest similarity to the subject. In order to determine an indicated value, the subject was evaluated based on the Sale Price Per Square Foot.

Market Data Summary

Although the subject property is currently zoned PF-4D-O and C2-4D-O, Senior City Planner Jon Foreman has indicated that the entire site would likely be re-zoned C2-4D-O if sold to a private third party. Therefore, consistent with the conclusion of Highest and Best Use As Vacant, a search was made for sales of commercial land within the City of Los Angeles and surrounding markets over the past 3 years. This resulted in 5 sales that were considered reasonably similar to the subject, all of which were under 8 acres in size. The search was therefore expanded to include sales over the past 6 years that were in proximity to the subject. The resulting sales were gathered, compared and analyzed. The results of this process provide the basis for the opinion of value for the site as if vacant and available for development to its highest and best use. All of the sales are adjusted for quantitative factors, when applicable. Our market data is found on the following page, along with a location map depicting each sale.

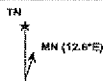
COMPARABLE LAND SALES



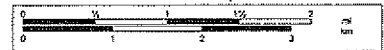
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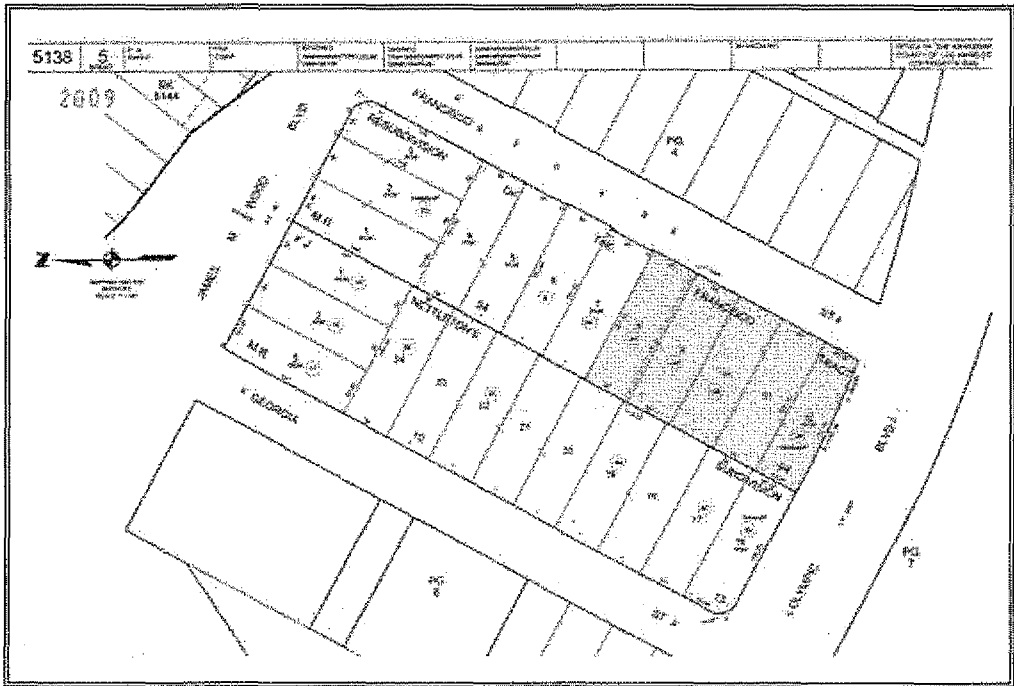
Scale 1 : 81,250



1" = 1.28 mi Data Zoom 11-3

LAND SALES SUMMARY					
Sale No.	Location	Sale Date	Zoning	Land Area (SF)	Sale Price
				Orientation	Sale Price/SF
1	901 West Olympic Boulevard Los Angeles	8/17/11	LASED	44,530 SF	\$20,000,000
				Corner	\$449.14
2	3670 Wilshire Boulevard Los Angeles	7/14/11	(T)(Q)C2-2	96,762 SF	\$21,000,000
				Corner	\$217.03
3	1215 South Flower Street Los Angeles	6/10/11	LASED	118,832 SF	\$31,000,000
				Corner	\$260.87
4	311 West 3rd Street Los Angeles	3/10/11	C2-4D	26,400 SF	\$3,300,000
				Corner	\$125.00
5	10000 Santa Monica Boulevard Los Angeles	11/17/10	C2-2-O	105,415 SF	\$59,500,000
				Corner	\$564.44
6	9900 Wilshire Boulevard Beverly Hills	10/6/10	9900 Wilshire Specific Plan	346,302 SF	\$148,300,000
				Interior	\$428.24
7	1136 Ingraham Street Los Angeles	9/1/10	C4(CW)-U/6	71,783 SF	\$10,000,000
				Corner	\$139.31
8	1101 South Flower Street Los Angeles	8/15/06	LASED	200,812 SF	\$80,000,000
				Corner	\$398.38
9	2300 - 2400 South Flower Street Los Angeles	7/18/06	[Q]C2-2-O	411,642 SF	\$70,500,000
				Corner	\$171.27
10	The city block bounded by James M. Wood Boulevard, Francisco Street, 8th Street and the Harbor/Pasadena (110) Freeway Los Angeles	12/14/05	C2-4D	274,428 SF	\$70,000,000
				Corner	\$255.08
Subject	1111 South Figueroa Street Los Angeles	--	C2-4D-O	371,050 SF	--
				Corner	--

LAND SALE NO. 1



Physical Description

Location: 901 West Olympic Boulevard
 Los Angeles, CA 90015
 Thomas Brothers Guide: Los Angeles County: 634, D/4
 Assessor Parcel Number: 5138-005-036, 038, 041, 045

Land Description

Site Area: 44,530± Square Feet, or 1.02± Acres
 Shape: Generally Rectangular
 Topography: Level
 Utilities: All available to site
 Zoning: LASED, City of Los Angeles

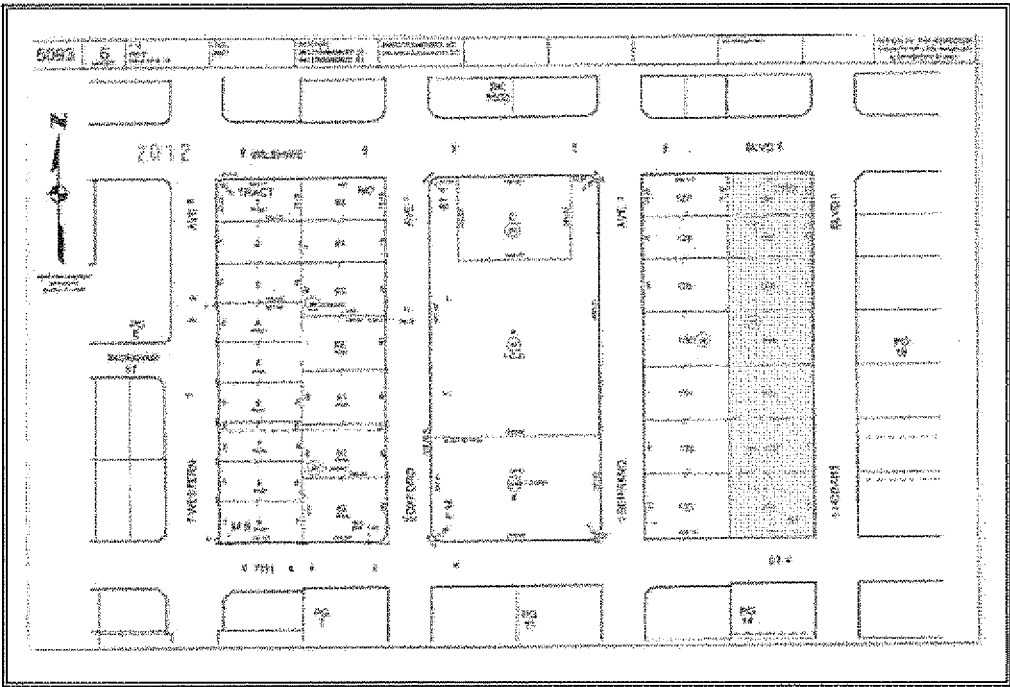
Sale Data

Interest Sold: Fee Simple
 Date of Sale: August 17, 2011
 Deed Date: August 17, 2011
 Document No.: 1107244
 Sale Price: \$20,000,000
 Sale Price/SF: \$449.14
 Grantor: L.A. Arena Land Company, LLC
 Grantee: 901 West Olympic Boulevard Limited Partnership
 Financing: All cash transaction

Verification: Homer Williams, Chairman for Buyer

Comments: This site is located at the signalized northwest corner of Olympic Boulevard and Francisco Street, and appears to have legal access from both. It is across the street from the Ritz Carlton/JW Marriott Tower and within the Los Angeles Sports and Entertainment District Specific Plan. According to the Specific Plan, this site and the neighboring parcels to the west are designated for 206,500 square feet of hotel/ballroom space (275 rooms), 601,800 square feet of office space and 89,250 square feet of residential space (65 dwelling units). The site, which was improved with a parking lot at the time of sale, is located within the Los Angeles State Enterprise Zone, the Greater Downtown Housing Incentive Area, and the Central City and Downtown Business District Parking Areas.

LAND SALE NO. 2



Physical Description

Location: 3670 Wilshire Boulevard
 Los Angeles, CA 90010
 Thomas Brothers Guide: Los Angeles County: 633, H/2
 Assessor Parcel Number: 5093-006-031, 032 (now 5093-006-031, 033 and 034)

Land Description

Site Area: 96,762± Square Feet, or 2.22± Acres
 Shape: Rectangular
 Topography: Level
 Utilities: All available to site
 Zoning: (T)(Q)C2-2, City of Los Angeles

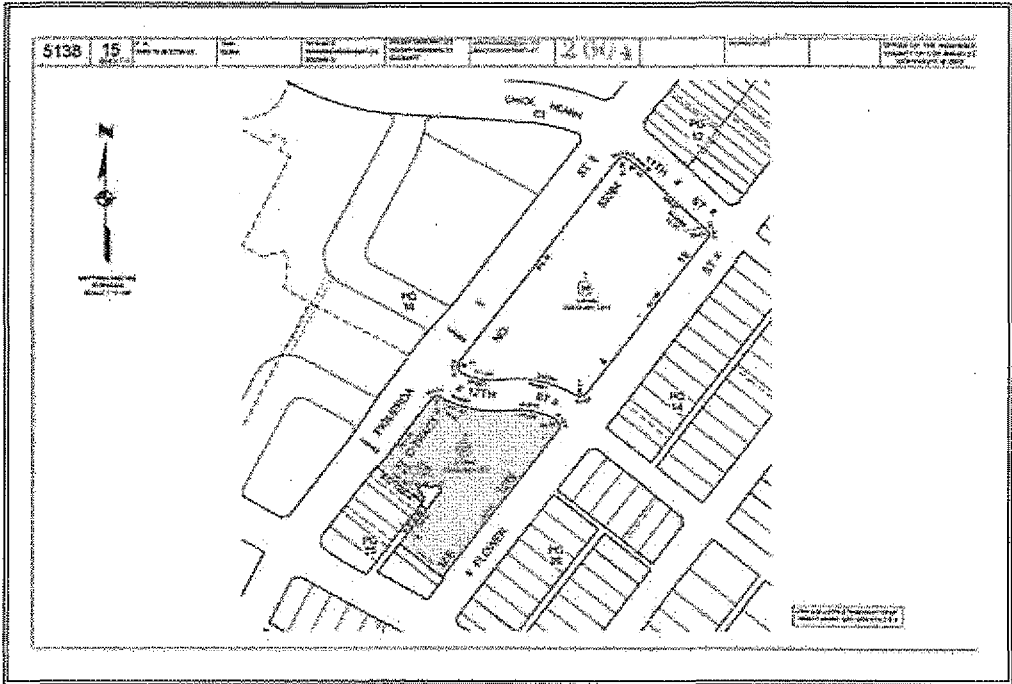
Sale Data

Interest Sold: Fee Simple
 Date of Sale: July 14, 2011
 Deed Date: July 13, 2011
 Document No.: 0944687 and 0944688
 Sale Price: \$21,000,000
 Sale Price/SF: \$217.03
 Grantor: Shinyoung 3670, LLC
 Grantee: Lee & Hankey Investments, LLC
 Financing: All cash transaction

Verification: Jimmy Chai, Buyer's Broker

Comments: This site is located at the signalized southwest corner of Wilshire and Hobart Boulevards and the non-signalized northwest corner of Hobart Boulevard and 7th Street, with access from Hobart Boulevard and 7th Street. The buyer's broker indicated that the property was fully entitled for 378 residential condominiums and 8,000 square feet of retail space at the time of sale, although he was unable to estimate the contributory value of the entitlements. The buyer reportedly planned to sell the back half of the property to CRA/LA at the time of sale, though this deal subsequently fell through. The site, which was vacant at the time of sale, is located within the Los Angeles State Enterprise Zone.

LAND SALE NO. 3



Physical Description

Location: 1215 South Flower Street
 Los Angeles, CA 90015
 Thomas Brothers Guide: Los Angeles County: 634, D/5
 Assessor Parcel Number: 5138-015-027 and 039 through 044

Land Description

Site Area: 118,832± Square Feet, or 2.73± Acres (gross)
 116,610± Square Feet, or 2.68± Acres (net)
 Shape: Irregular
 Topography: Level
 Utilities: All available to site
 Zoning: LASED, City of Los Angeles

Sale Data

Interest Sold: Fee Simple
 Date of Sale: June 10, 2011
 Deed Date: June 9, 2011
 Document No.: 0797691
 Sale Price: \$31,000,000
 Sale Price/SF: \$260.87
 Grantor: Ektornet US Figueroa Sub, LLC
 Grantee: LR-1220 Figueroa, LLC
 Financing: \$10,000,000 cash down payment (32.3%); \$21,000,000 1st TD with Preferred Bank at undisclosed market terms

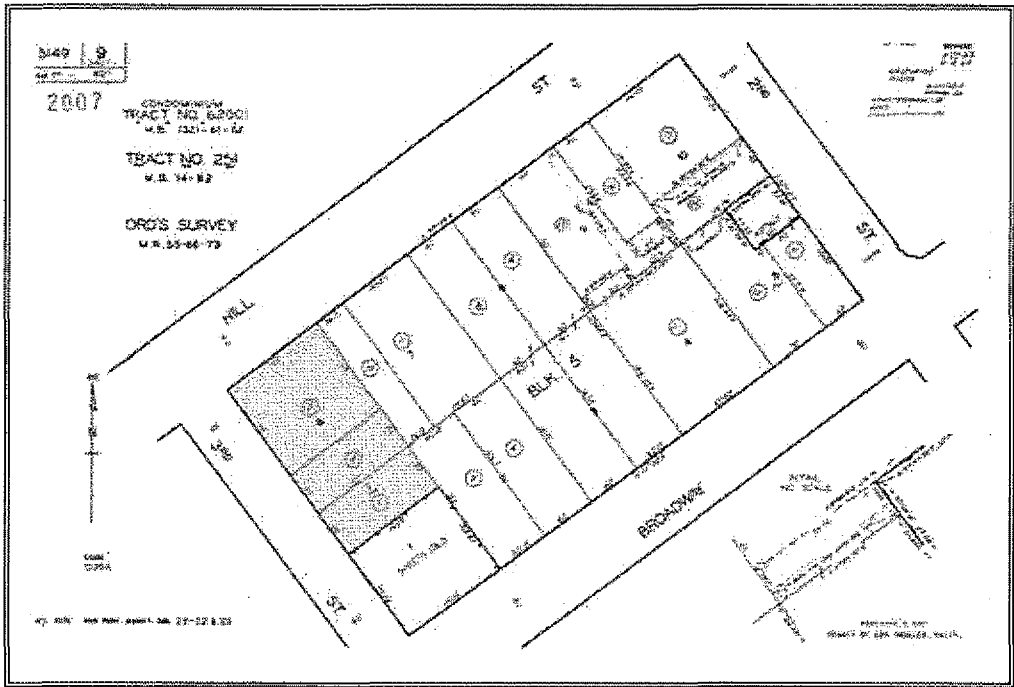
Verification:

Brendan McArthur, Listing Broker

Land Sale No. 3 (Continued)

Comments: This site is located at the signalized southeast corner of Figueroa and 12th Streets and the signalized southwest corner of Flower and 12th Streets, with access from all three streets. It is across the street from Staples Center and the Los Angeles Convention Center and within the Los Angeles Sports and Entertainment District Specific Plan. According to the Specific Plan, this site is designated for 822,000 square feet of residential space (648 dwelling units) and 48,000 square feet of retail/entertainment/restaurant space. Although Tract Map No. 53384, an air rights subdivision, was recorded on June 11, 2003 and Tentative Tract Map No. 66892 was approved on December 13, 2007, they did not have any contributory value according to the listing broker. The site, which was improved with a parking lot at the time of sale, is located within the Los Angeles State Enterprise Zone, the Greater Downtown Housing Incentive Area, and the Central City and Downtown Business District Parking Areas.

LAND SALE NO. 4



Physical Description

Location: 311 3rd Street
 Los Angeles, CA 90013
 Thomas Brothers Guide: Los Angeles County: 634, F/4
 Assessor Parcel Number: 5149-009-001, 008, 009

Land Description

Site Area: 26,400± Square Feet, or 0.61± Acres
 Shape: Rectangular
 Topography: Generally level to slightly sloping
 Utilities: All available to site
 Zoning: C2-4D, City of Los Angeles

Sale Data

Interest Sold: Fee Simple
 Date of Sale: March 10, 2011
 Deed Date: March 8, 2011
 Document No.: 0368556
 Sale Price: \$3,300,000
 Sale Price/SF: \$125.00
 Grantor: 250 S. Hill Street, LLC
 Grantee: Third & Hill Development, LLC
 Financing: All cash transaction

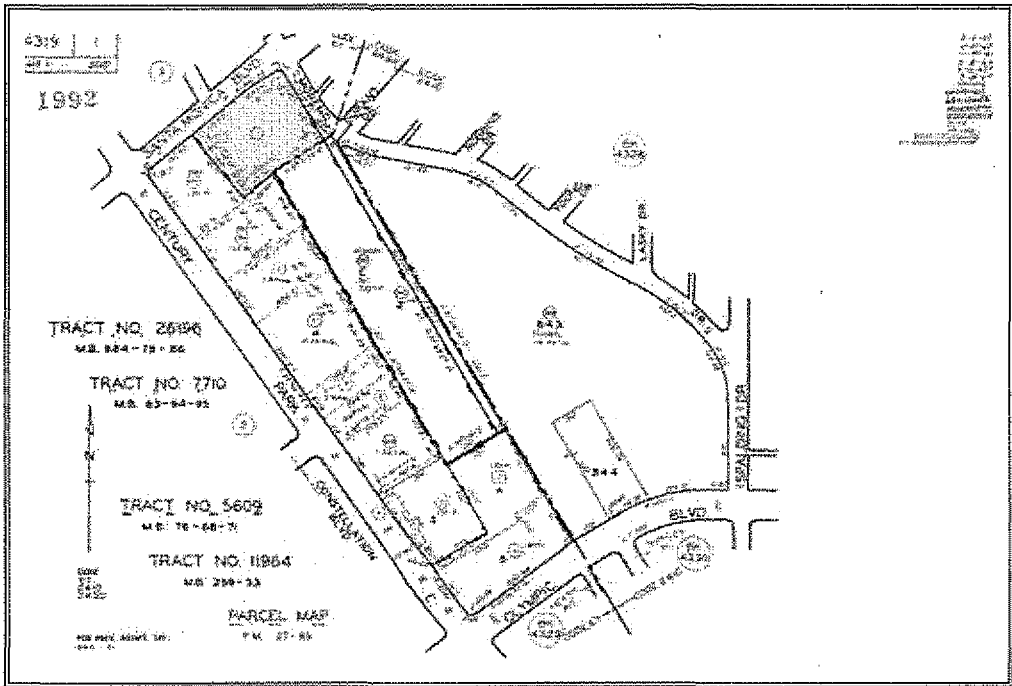
Verification:

Mark Farzan, Buyer

Land Sale No. 4 (Continued)

Comments: This site is located at the signalized east corner of 3rd and Hill Streets and the signalized southwest corner of Flower and 12th Streets, with access from both streets. Although Vesting Tract Map No. 71179 with 280 residential condominiums and retail/commercial/restaurant space was submitted on October 19, 2009, it had not been approved and was pending environmental clearance at the time of sale according to the Los Angeles Department of City Planning, and was therefore not considered to have any contributory value. The site, which was improved with a parking lot at the time of sale, is located within the Los Angeles State Enterprise Zone, the Greater Downtown Housing Incentive Area, and the Central City and Downtown Business District Parking Areas.

LAND SALE NO. 5



Physical Description

Location: 10000 Santa Monica Boulevard
 Los Angeles, CA 90067
 Thomas Brothers Guide: Los Angeles County: 632, E/2
 Assessor Parcel Number: 4319-001-001 and 002

Land Description

Site Area: 105,415± Square Feet, or 2.42± Acres (gross)
 104,544± Square Feet, or 2.40± Acres (net)
 Shape: Generally Rectangular
 Topography: Generally Level
 Utilities: All available to site
 Zoning: C2-2-O, City of Los Angeles

Sale Data

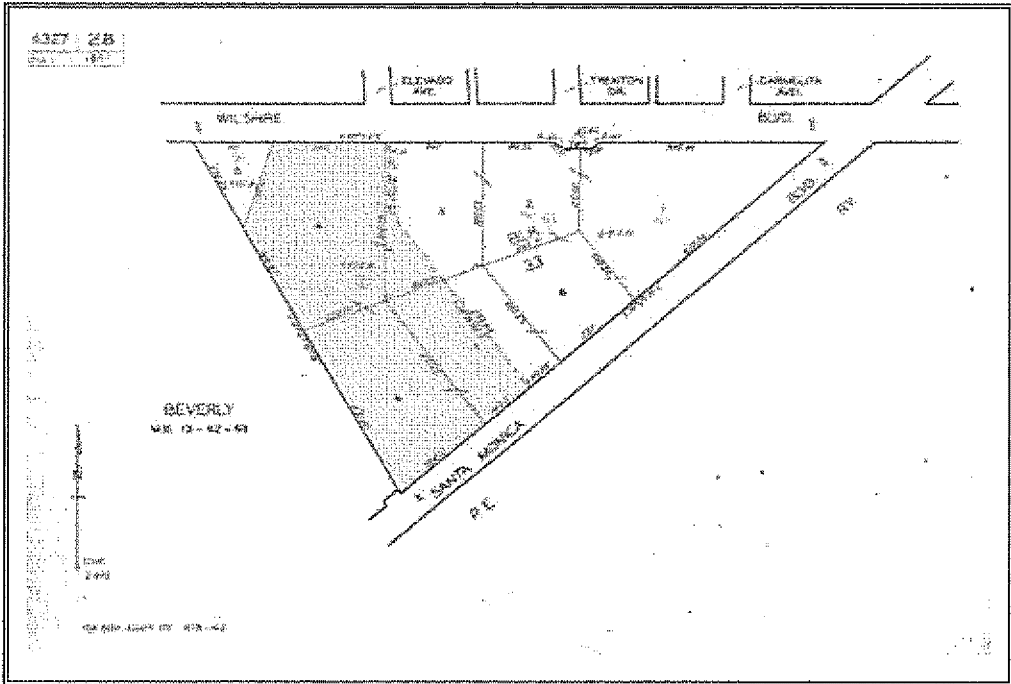
Interest Sold: Fee Simple
 Date of Sale: November 17, 2010
 Deed Date: November 15, 2010
 Document No.: 1653726
 Sale Price: \$59,500,000
 Sale Price/SF: \$564.44
 Grantor: Gonzalo-Century City LLC
 Grantee: SM 10000 Property, LLC
 Financing: All cash transaction

Verification:

Javier Rivera, Listing Broker

Comments: This site is located at the signalized southwest corner of Santa Monica Boulevard and Moreno drive, with access from both. It is within the Century City district of the City of Los Angeles, and the City of Beverly Hills is adjacent to the east and south. According to the listing broker, the property was not entitled at the time of sale. The buyer reportedly intended to develop 262 residential condominium units on the site, which was vacant at the time of sale.

LAND SALE NO. 6



Physical Description

Location: 9900 Wilshire Boulevard
 Beverly Hills, CA 90210
 Thomas Brothers Guide: Los Angeles County: 632, E/2
 Assessor Parcel Number: 4327-028-002

Land Description

Site Area: 346,302± Square Feet, or 7.95± Acres
 Shape: Irregular
 Topography: Generally level to slightly sloping
 Utilities: All available to site
 Zoning: 9900 Wilshire Specific Plan, City of Beverly Hills

Sale Data

Interest Sold: Fee Simple
 Date of Sale: October 6, 2010
 Deed Date: September 13, 2010
 Document No.: 1422081
 Sale Price: \$148,300,000
 Sale Price/SF: \$428.24
 Grantor: 9900 Wilshire Holdings, Inc.
 Grantee: BH Wilshire International, LLC
 Financing: All cash transaction

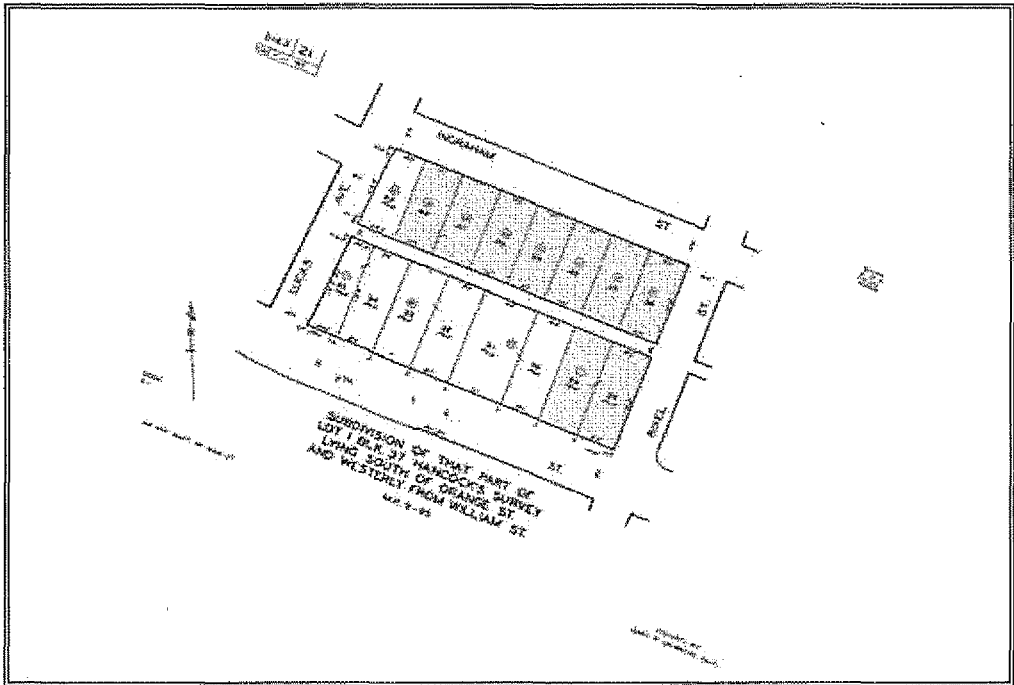
Verification:

Michael Lesser, Listing Broker

Land Sale No. 6 (Continued)

Comments: This site is located at the signalized southwest corner of Wilshire Boulevard and Merv Griffin Way (a private street), and the non-signalized northwest corner Santa Monica Boulevard and Merv Griffin Way, with access from all three streets. The property is improved with a former Robinsons-May department store and parking structure, which reportedly had no contributory value. It was fully entitled for 235 residential condominiums and 17,000 square feet of retail and restaurant space at the time of sale. According to the listing broker, the property was listed on the open market for approximately 4 weeks and then sold at auction that was open by invitation to all serious bidders. The property was discounted by \$7,000,000 (4.7 percent) in recognition of demolition costs, and the entitlements contributed approximately 25 percent of the purchase price. An upward adjustment was therefore made for Buyer's Expenditures, and a downward adjustment was made for Condition of Sale.

LAND SALE NO. 7



Physical Description

Location:	1136 Ingraham Street Los Angeles, CA 90017
Thomas Brothers Guide:	Los Angeles County: 634, D/4
Assessor Parcel Number:	5143-021-001 and 008 through 014

Land Description

Site Area:	71,783± Square Feet, or 1.65± Acres (gross) 65,604± Square Feet, or 1.51± Acres (net)
Shape:	Irregular
Topography:	Generally level to slightly sloping
Utilities:	All available to site
Zoning:	C4(CW)-U/6, City of Los Angeles

Sale Data

Interest Sold:	Fee Simple
Date of Sale:	September 1, 2010
Deed Date:	August 16, 2010
Document No.:	1230729
Sale Price:	\$10,000,000
Sale Price/SF:	\$139.31
Grantor:	Ingraham & Bixel, LLC
Grantee:	Career Lofts, LLC
Financing:	\$5,000,000 cash down payment (50%); \$5,000,000 1 st TD with Shinhan Bank America at undisclosed market terms

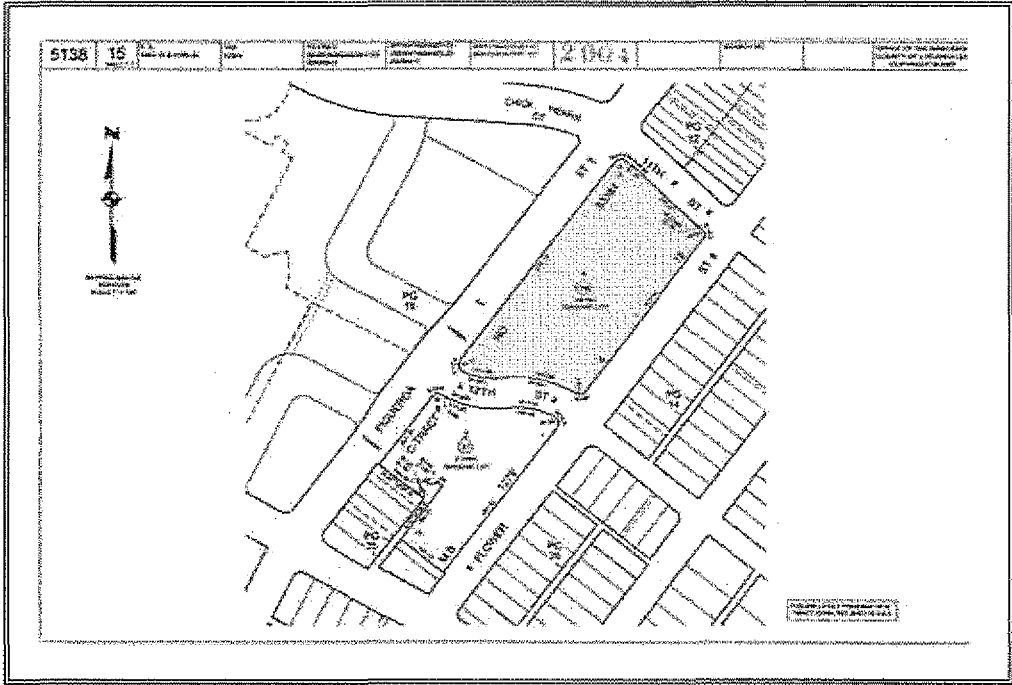
Verification:

Mark Hong, Listing Broker

Land Sale No. 7 (Continued)

Comments: This site is located at the non-signalized southwest corner of Ingraham and Bixel Streets and the signalized northwest corner of Bixel and 7th Streets and is bisected by a public alley. Access is currently provided along Ingraham and Bixel Streets and the public alley. The property is located within the Central City West Specific Plan and allows C4 uses, with a height limit of 1,218 feet and a maximum FAR of 6:1. Although it was entitled for 334 residential condominiums and 15,175 square feet of retail space at the time of sale, the value of the entitlements was nominal as the buyer plans to re-entitle the property for 300 apartment units according to the listing broker. The site, which was improved with a parking lot at the time of sale, is located within the Los Angeles State Enterprise Zone and the Central City Parking Area.

LAND SALE NO. 8



Physical Description

Location: 1101 South Flower Street
 Los Angeles, CA 90015
 Thomas Brothers Guide: Los Angeles County: 634, D/5
 Assessor Parcel Number: 5138-015-026 and 028 through 038 (now 5138-015-026)

Land Description

Site Area: 200,812± Square Feet, or 4.61± Acres
 Shape: Generally Rectangular
 Topography: Level
 Utilities: All available to site
 Zoning: LASED, City of Los Angeles

Sale Data

Interest Sold: Fee Simple
 Date of Sale: August 15, 2006
 Deed Date: Undated
 Document No.: 1810546
 Sale Price: \$80,000,000
 Sale Price/SF: \$393.38
 Grantor: L. A. Arena Land Company, LLC, and Flower Holdings, L L C
 Grantee: JM Fig LLC, as to a 45% interest, MG Fig LLC, as to a 5% interest,
 HS Fig LLC, as to a 17% interest, and CLAD Resources Borrower,
 LLC, as to a 33% interest
 Financing: \$15,000,000 cash down payment (18.8%); \$65,000,000 1st TD with
 Wachovia Bank at undisclosed market terms

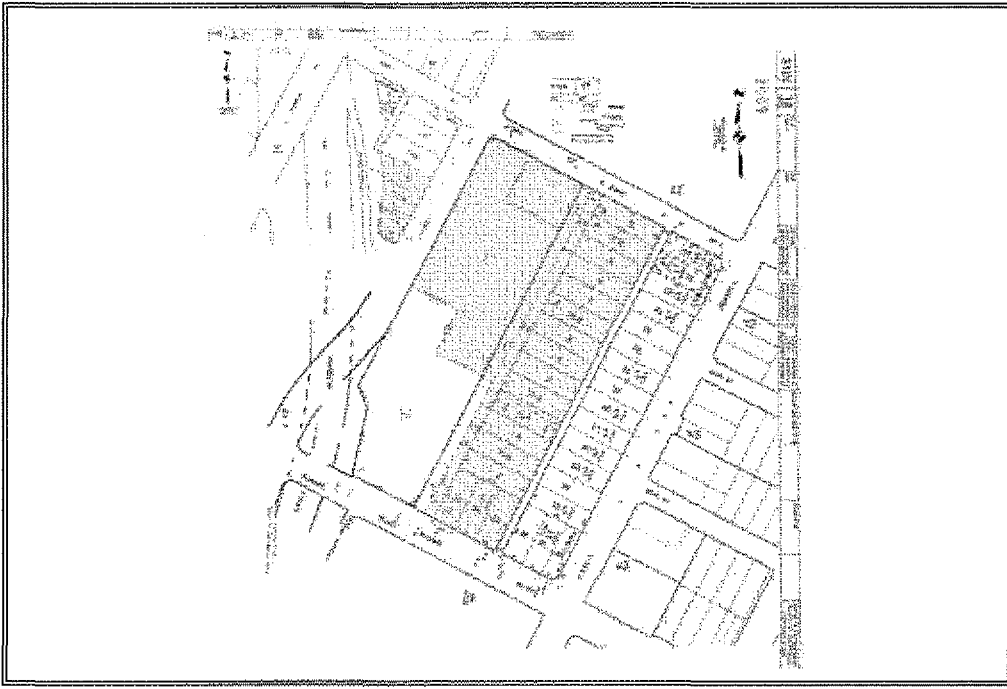
Verification:

Rich Mayo, Buyer's Broker

Land Sale No. 8 (Continued)

Comments: This site is located across the street from Staples Center, and consists of the entire city block bounded by 11th Street on the north, 12th Street on the south, Flower Street on the east and Figueroa Street on the west. It is located at four signalized corners, with access from 11th, Flower, and Figueroa Streets. The site is within the Los Angeles Sports and Entertainment District Specific Plan, which was in the process of being amended to allow 207,376 square feet of hotel/ballroom space (222 rooms), 1,009,439 square feet of residential space (860 dwelling units) and 271,286 square feet of retail/entertainment/restaurant space at the time of sale. Tract Map No. 53384, an air rights subdivision, was recorded on June 11, 2003. Although the property, formerly a Bank of America facility, is improved with a parking lot and 2 buildings that provide access to a large underground vault, the improvements had no contributory value according to the buyer's broker. The value of the air rights subdivision was offset by increased demolition costs associated with the underground vault. The site is located within the Los Angeles State Enterprise Zone, the Greater Downtown Housing Incentive Area, and the Central City and Downtown Business District Parking Areas.

LAND SALE NO. 9



Physical Description

Location: 2300 - 2400 South Flower Street
Los Angeles, CA 90007
Thomas Brothers Guide: Los Angeles County: 634, C/7
Assessor Parcel Numbers: 5126-005-005 through 007 (now 5126-005-008); 5126-017-014 and 015 (now 5127-017-017); and 5126-018-032 through 035 (now 5126-018-032, 033, 035 and 037 through 039)

Land Description

Site Area: 411,642± Square Feet, or 9.45± Acres
Shape: Irregular
Topography: Level
Utilities: All available to site
Zoning: [Q]C2-2-O, City of Los Angeles

Sale Data

Interest Sold: Fee Simple
Date of Sale: July 18, 2006
Deed Date: July 18, 2006
Document No.: 1576695
Sale Price: \$70,500,000
Sale Price/SF: \$171.27
Grantor: Los Angeles Orthopaedic Hospital Foundation
Grantee: Palmer/Flower Street Properties
Financing: \$27,500,000 cash down payment (39.0%); \$43,000,000 1st TD with Bank of America at undisclosed market terms

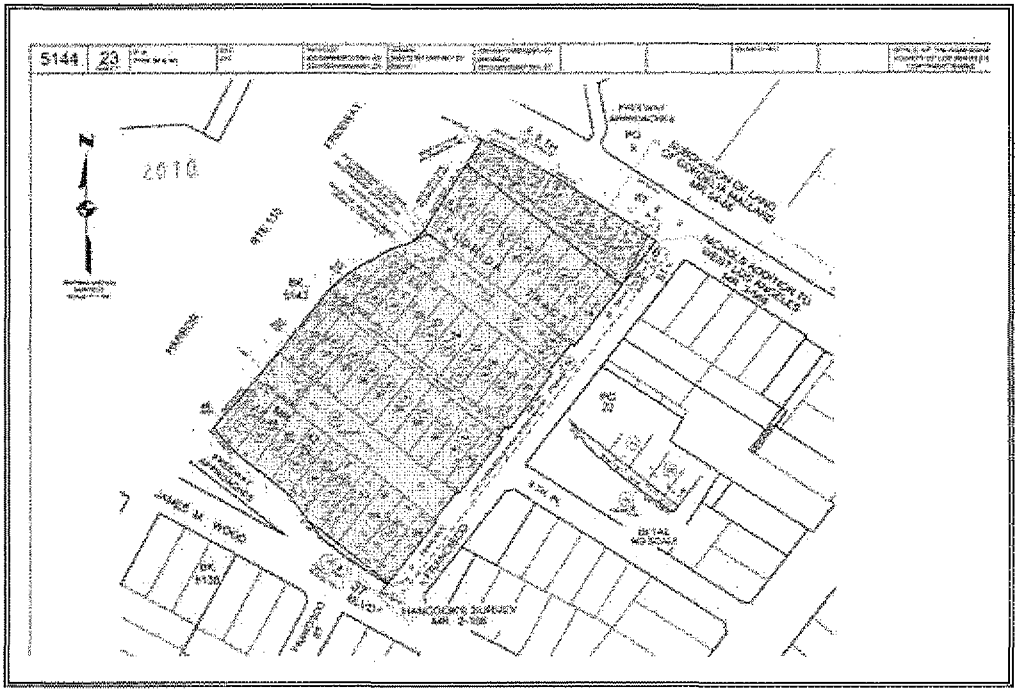
Verification:

Emily Cohen, Entitlement Manager for Buyer
Dwight Hotchkiss, Listing Broker

Land Sale No. 9 (Continued)

Comments: This sale consists of two non-contiguous parcels of land, a 0.47± acre parcel located along the northwest side of Flower Street, 120± feet southwest of 23rd Street, and an 8.98± acre parcel located at the signalized southwest corner of Flower and 23rd Streets, a portion of which extends to Adams Boulevard on the southwest. The smaller parcel is accessible from Flower Street; the larger parcel includes a portion of vacated Hope Street and is accessible from 23rd Street and Adams Boulevard. The larger parcel is not accessible from Flower Street due to an Expo Line light rail station scheduled to open in November 2011. Although this station did not exist at the time of sale, the alignment was approved on December 15, 2005. According to Emily Cohen, Entitlement Manager for the Buyer, a small portion of the property was improved with a building at the time of sale, which did not have any contributory value and was subsequently demolished. The [Q] zoning condition restricted permitted uses to educational, hospital, medical office, parking and related uses at the time of sale. According to Ms. Cohen and Gregg Shoup, City Planner with the City of Los Angeles, this property sold without entitlements, although the applicant reportedly had high expectations that a zone change and GPA would be approved. The site is located within the Los Angeles State Enterprise Zone, the Greater Downtown Housing Incentive Area, and the Central City Parking Area.

LAND SALE NO. 10



Physical Description

Location:	The city block bounded by James M. Wood Boulevard, Francisco Street, 8 th Street and the Harbor/Pasadena (110) Freeway Los Angeles, CA 90017
Thomas Brothers Guide:	Los Angeles County: 634, D/4
Assessor Parcel Number:	5144-023-023 through 030, 032 through 057, 059 through 063, 065, 066, and 068 through 072

Land Description

Site Area:	274,428± Square Feet, or 6.30± Acres
Shape:	Generally Rectangular
Topography:	Level
Utilities:	All available to site
Zoning:	C2-4D, City of Los Angeles

Sale Data

Interest Sold:	Fee Simple
Date of Sale:	December 14, 2005
Deed Date:	December 14, 2005
Document No.:	3069921
Sale Price:	\$70,000,000
Sale Price/SF:	\$255.08
Grantor:	City Centre Development
Grantee:	LA Metropolis, LLC
Financing:	\$6,545,000 cash down payment (9.4%); \$63,455,000 1 st TD with Fremont Investment & Loan at undisclosed market terms

Verification:

John E. Vallance, Seller

Land Sale No. 10 (Continued)

Comments: This sale consists of 46 contiguous parcels bounded by 8th Street on the north, James M. Wood Boulevard on the south, Francisco Street on the east and the Harbor/Pasadena (110) Freeway on the west. The site is visible from the freeway, and access is provided along Francisco Street and 8th Street (a one-way street). Over the past 18 years, the seller has assembled the site, vacated interior streets, entered into a Development Agreement with the Los Angeles Planning Department and the Community Redevelopment Agency, and entitled the property for 3,000,000± square feet, which includes 3 office towers, 200,000 square feet of retail, 100,000 square feet of entertainment (Arts, Museum, etc.), and a hotel. The seller estimated that the entitlements contributed approximately 25 percent to the purchase price; a downward Condition of Sale adjustment was therefore made. The site, which was improved with a parking lot at the time of sale, is located within the Los Angeles State Enterprise Zone, the Greater Downtown Housing Incentive Area, and the Central City and Downtown Business District Parking Areas.

Discussion of Adjustments

All of the land sales have been adjusted to the subject property for property rights, buyer expenditures, financing, condition of sale, market conditions, location, and physical factors when applicable. These adjustments are defined below:

Property Rights at Sale

This category adjusts for property rights conveyed and takes into account differences in legal estate between the subject and each comparable property. Generally, property rights are either fee simple interest or leased fee interest.

Buyer Expenditures

This category adjusts for additional costs incurred by the buyer which are required to make the property ready for development and/or use. This includes expenditures for demolition costs and other expenses paid by the buyer in addition to the purchase price.

Financing

This category adjusts the sale price of each comparable into its cash equivalent or modifies the price to current market financing. Favorable financing often leads to a higher selling price and unfavorable financing may reflect a lower selling price.

Condition of Sale

This category adjusts for atypical conditions of sale and reflects any difference between the actual sale price of a comparable and its probable sale if it were currently sold in an arm's length transaction. Please refer to the individual datasheets for discussion of applicable adjustments.

Market Conditions (Time)

This category adjusts for market conditions and reflects changes in the prices paid due to changes in market conditions over time. The comparable properties are adjusted from the date of sale to date of value. In reviewing the market, we found ten commercial land sales that cover a marketing time from December 2005 through August 2011. These were the most recent and competitive sales in the subject market. Our analysis of available market information, supported by discussions with market participants in the course of our verifications, indicates land prices for commercial land increased by approximately 12 percent annually, or 1.00 percent per month, between December 2005 and December 2007, decreased by approximately 12 percent annually, or 1.00 percent per month, between January 2008 and December 2010, and were generally stable between January 2011 and the present. Therefore, time adjustments were made for the appropriate time periods to the date of value.

Location and Physical Conditions

These categories consider differences between the subject and each comparable property for location and physical conditions. We considered differences in location, zoning/entitlements, size, site utility, visibility and accessibility. Each is defined below:

Location - This category adjusts the sales for differences in location for linkages, area, and other factors.

Zoning/Entitlements - This category adjusts for differences in zoning, legal entitlements, and allowable land uses. If quantified adjustments were made for the contributory value of entitlements as a Condition of Sale, no adjustment was made for entitlements relative to that sale in this category.

Size - This category adjusts for differences in the size of each comparable to the subject site. Typically, smaller properties require downward adjustment as they tend to reflect higher unit prices than larger sites. Larger properties require upward adjustment as they tend to reflect lower unit prices than smaller sites.

Site Utility - This category adjusts for differences in topography, development, configuration, and usability of the site.

Visibility - This category adjusts for differences in the visibility of each sale to the subject site.

Accessibility - This category adjusts for differences in the accessibility of each sale to the subject site.

The adjustment grid on the following page summarizes the adjustments for each of the sales as they apply to the subject property. Adjustments for differences between the subject and each comparable property are expressed in percentages for property rights, buyer expenditures, financing, condition of sale, and market conditions based on our analysis of the market, as applicable. Qualitative adjustments have been applied for the location and other physical characteristics of each sale compared with the subject. A superior rating indicates the market data item is being adjusted downward to the subject. An inferior rating indicates the market data item is being adjusted upward to the subject. Each physical characteristic may not be weighted equally. Then, an overall rating is assigned to each sale as it compares with the subject.

LAND SALE ADJUSTMENT GRID - SCENARIO ONE											
Adjustment Factors	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6	Sale 7	Sale 8	Sale 9	Sale 10
Unadjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$428.24	\$139.31	\$398.38	\$171.27	\$255.08
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$428.24	\$139.31	\$398.38	\$171.27	\$255.08
Buyer Expenditures	--	None	None	None	None	None	4.70%	None	None	None	None
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$448.37	\$139.31	\$398.38	\$171.27	\$255.08
Financing	--	Cash	Cash	Market	Market	Cash	Cash	Market	Market	Market	Market
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$448.37	\$139.31	\$398.38	\$171.27	\$255.08
Condition of Sale	--	Ann's Length	Ann's Length	Ann's Length	Ann's Length	Ann's Length	-25.0%	Ann's Length	Ann's Length	Ann's Length	-25.0%
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$336.28	\$139.31	\$398.38	\$171.27	\$191.31
Market Conditions	--	0.00%	0.00%	0.00%	0.00%	-1.48%	-2.86%	-4.01%	-19.47%	-18.55%	-11.45%
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$556.08	\$326.66	\$133.72	\$320.82	\$139.50	\$169.40
Location and Physical Conditions											
Location	Gd - Ex	Gd - Ex	Gd - Ex	Gd - Ex	Good	Excellent	Excellent	Good	Gd - Ex	Good	Gd - Ex
Adjustment		Similar	Similar	Similar	Sl. Inferior +	Sl. Superior -	Sl. Superior -	Sl. Inferior +	Similar	Sl. Inferior +	Similar
Zoning/Entitlements	C2-4D-O	LASED Entitled	(T)(Q)C2-2 Entitled	LASED	C2-4D	C2-2-O	9900 Wilshire Specific Plan	C4(CW)-U/6	LASED	[Q]C2-2-O	C2-4D
Adjustment		Superior -	Superior -	Sl. Superior -	Similar	Sl. Inferior +	Sl. Inferior +	Similar	Sl. Superior -	Inferior +	Similar
Size	371,050 SF	44,530 SF	96,762 SF	118,832 SF	26,400 SF	105,415 SF	346,302 SF	71,783 SF	200,812 SF	411,642 SF	274,428 SF
Adjustment		Smaller -	Smaller -	Smaller -	Smaller -	Smaller -	Similar	Smaller -	Smaller -	Similar	Smaller -
Site Utility	Good	Average	Average	Avg - Gd	Fair - Avg	Good	Avg - Gd	Average	Good	Avg - Gd	Good
Adjustment		Inferior +	Inferior +	Sl. Inferior +	Inferior +	Similar	Sl. Inferior +	Inferior +	Similar	Sl. Inferior +	Similar
Visibility	Gd - Ex	Good	Gd - Ex	Gd - Ex	Good	Gd - Ex	Gd - Ex	Good	Excellent	Good	Excellent
Adjustment		Sl. Inferior +	Similar	Similar	Sl. Inferior +	Similar	Similar	Sl. Inferior +	Sl. Superior -	Sl. Inferior +	Sl. Superior -
Accessibility	Good	Good	Good	Gd - Ex	Avg - Gd	Good	Gd - Ex	Good	Gd - Ex	Good	Avg - Gd
Adjustment		Similar	Similar	Sl. Superior -	Sl. Inferior +	Similar	Sl. Superior -	Similar	Sl. Superior -	Similar	Sl. Inferior +
Overall Rating		Superior	Superior	Superior	Inferior	Superior	Superior	Inferior	Superior	Inferior	Superior

Analysis and Conclusions

The adjusted sales range from \$125.00 to \$556.08 per square foot, before adjusting for physical characteristics. Based on our analysis of the land sales, the overall ratings of the adjusted sales compared to the subject property are as follows:

Inferior (Sale Nos. 4, 7 and 9)	\$125.00 to \$139.50 per square foot
Similar	N/A
Superior (Sale Nos. 1, 2, 3, 5, 6, 8 and 10)	\$217.03 to \$556.08 per square foot

Based on our analysis, an expected value indicator for the subject should fall between \$139.50 and \$217.03 per square foot. Sale Nos. 4, 7 and 9 were considered inferior to the subject overall at \$125.00 to \$139.50 per square foot, due primarily to inferior location, zoning/entitlements, site utility, visibility and/or accessibility as compared to the subject. They set the lower range of value for the subject. Sale Nos. 1, 2, 3, 5, 6, 8 and 10 were considered superior to the subject overall at \$217.03 to \$556.08 per square foot, due primarily to superior location, zoning/entitlements, visibility, accessibility, or smaller size as compared to the subject. They set the upper range of value for the subject.

After considering adjustments for differences in property rights, buyer expenditures, financing, conditions of sale, market conditions, location and physical characteristics, it is our opinion that an appropriate value indicator for the subject site, underlying land only, is \$200.00 per square foot, which is within the range of the market. Shown below is our calculation of the market value of subject site:

LAND MARKET VALUE

Land Area		Price/Square Foot	=	Indicated Value
371,050± SF	x	\$200.00	=	\$74,210,000
Indicated Value of the Subject Site by the Sales Comparison Approach				Rounded To: <u>\$74,210,000</u>

**RECONCILIATION AND FINAL OPINION
(FEE SIMPLE)**

The final conclusion or opinion has resulted from the application of the Sales Comparison Approach. In summary, this approach provides a value indicator for vacant land and is most commonly used by market participants. The Sales Comparison Approach is considered to be the primary approach to value. **Please refer to Extraordinary Assumption Nos. 20, 21, 22, 23, 24 and 25.** Based on the data presented, analysis, and reconciliation, the Market Value of the Fee Simple Interest in the subject property, underlying land only, as of November 3, 2011, is:

SEVENTY-FOUR MILLION TWO HUNDRED TEN THOUSAND DOLLARS.....

..... **\$74,210,000.**

MARKET GROUND RENT CALCULATIONS

At the request of the Client, we have calculated the annual market ground rent for the subject property as of March 26, 2053 based upon the \$74,210,000 concluded market value of the fee simple interest in the subject property as of November 3, 2011. The market ground rent calculation will be utilized in negotiations with the proposed developer, AEG, to establish a ground lease extension for the subject property. According to the terms of the draft MOU, the current ground lease will be extended upon its March 25, 2053 expiration so that it will be co-terminus with the adjacent Event Center proposed ground lease, on or about 2067. Although there are no rent escalations noted for the lease extension in the MOU, the proposed lease for the Event Center includes a 1.75 percent annual rent escalation clause. Based upon our review of the draft MOU and analysis of the market, it is our opinion that a 1.75 percent rent escalation rate is reasonable, if applied to the proposed lease extension as well. **Please refer to Extraordinary Assumption No. 26.**

The market was surveyed for current ground leases, rates of return, and leasing practices of both private firms and public agencies to derive the estimated net operating income attributable to the land. No recent vacant land leases were discovered in the area. Therefore, the market value of the land was multiplied by an appropriate rate of return to derive a market rental rate for the land. A survey of private firms and public agencies was therefore conducted to determine their required rates of return on land. The following table shows the results of that survey:

GROUND LEASES		
Firm	Public/Private	Required Rates of Return
CJ Segerstrom & Sons	Private	9.0 to 10.0%
Teachers Insurance & Annuity Association	Private	8.0 to 9.5%
McDonald's, Canoga Park (Ground Lessee)	Private	5.3%
Jack in the Box, Valencia (Ground Lessee)	Private	5.3%
Chili's, Pico Rivera (Ground Lessee)	Private	5.1%
First Industrial Acquisitions, Inc. (Listing)	Private	7.5 to 8.25%
City of Long Beach	Public	8.0 to 8.5%
County of Los Angeles	Public	8.0%
County of Orange	Public	8.0 to 9.0%
Los Angeles County MTA	Public	6.5%
MWDSC	Public	6.0 to 10.0%
Port of Long Beach	Public	8.0 to 12.0%
Port of Los Angeles	Public	10.0%
San Bernardino County	Public	10.0%
Southern California Edison	Public	10.0%

Land leases are typically written for a 5 to 12 percent return on the estimated value of the land. Our records indicate that municipal agencies, such as The Metropolitan Water District of Southern California, Port Authorities, and Southern California cities predominantly range from 6.5 to 10 percent. Private firms have negotiated ground leases in the range of 5.1 to 10 percent. Based on our analysis, we conclude a 7.0 percent rate of return is appropriate.

In order to derive the annual market rental rate for the land as of March 26, 2053, the concluded 7.0 percent rate of return was multiplied by the market value of the land as of March 26, 2053. The market value of the land as of March 26, 2053 was calculated by multiplying the concluded market value of the fee simple interest in the land as of November 3, 2011, or \$74,210,000, by a future value factor of 2.26966160,

representing a 2.0 percent annual growth rate between November 3, 2011 and March 26, 2053 (41.39 years). Thus, the market value of the fee simple interest in the land as of March 26, 2053 would be \$168,431,587. The annual market ground rental rate for the subject as of March 26, 2053 is calculated as follows:

Market Value 3/26/2053		Percentage		Term		Indicated Value
\$168,431,587	x	7.0	x	1 Year	=	\$11,790,211
Annual Ground Market Rental Value of the Subject Site as of March 26, 2053						\$11,790,211

The final conclusion or opinion has resulted from applying an appropriate rate of return on land to the market land value as of March 26, 2053, which was calculated by applying a future value factor to the concluded market value of the subject property as of November 3, 2011. Based on the data presented, analysis, and reconciliation, the annual Market Ground Rent for the subject property, underlying land only, is:

As of March 26, 2053.....\$11,790,211

SCENARIO TWO

Location

The subject site is identified as a portion of APN 5138-016-913, with a primary situs address of 1111 South Figueroa Street.

Size and Shape

The subject site is irregular in shape and contains a gross area of 352,875± square feet, or 8.10± acres. The approximate boundaries and dimensions of the site are as follows:

North Boundary (Chick Hearn Court)	713.24± Linear Feet
South Boundary	Varies
East Boundary(Figueroa Street).....	731.03± Linear Feet
West Boundary	Varies

Please refer to the exhibit labeled Scenario Two on the accompanying page for reference. **Please refer to Extraordinary Assumption No. 20.**

Accessibility and Visibility

The subject site consists of a portion of the underlying land of Staples Center, excluding 18,175± square feet, or 0.42± acres, adjacent to the northeast driveway to the West Hall of the Los Angeles Convention Center. It is located at the signalized intersection of Figueroa Street and Chick Hearn Court in downtown Los Angeles, and is also opposite the signalized T-intersection of Figueroa Street and 12th Street. The site has 731.03± feet of frontage along Figueroa Street and 713.24± feet of frontage along Chick Hearn Court. Although there is no vehicular access due to the current development, the Los Angeles Department of City Planning has indicated that the site has legal access from both Figueroa Street and Chick Hearn Court. **Please refer to Extraordinary Assumption No. 21.**

Figueroa Street is a northeast-southwest, 102± foot wide, asphalt-paved Modified Major Highway II with a painted center median, 3 northeast-bound lanes, 2 southwest-bound lanes, a northeast-bound bus/right turn lane, a northeast-bound left turn lane at Chick Hearn Court, a southwest-bound left turn lane at 12th Street, and a southwest-bound right turn lane at the entrance to the Los Angeles Convention Center located adjacent and southwest of the subject. Chick Hearn Court (formerly 11th Street) is a northwest-southeast, 107± foot wide, asphalt-paved collector street with 2 northwest-bound lanes, 1-2 southeast-bound lanes, a northwest-bound left turn lane at the entrance to the Los Angeles Convention Center located adjacent and west of the subject, and a southeast-bound right turn lane and two southeast-bound left turn lanes at Figueroa Street. Although Chick Hearn Court is over 100 feet wide, the City of Los Angeles identifies it as collector a street.

The field inspection was conducted during normal business hours, and traffic was noted to be moderate to heavy along Figueroa Street and Chick Hearn Court. Regional access to the subject property is provided by the Harbor (110) Freeway at L.A. Live Way approximately 2 blocks southwest of the subject (northbound) or Olympic Boulevard approximately 2 blocks northeast of the subject (southbound), and the Santa Monica (10) Freeway at Grand Avenue approximately 0.6 miles southeast of the subject (eastbound) or Hoover Street approximately 1.1 miles southwest of the subject (westbound). Overall, visibility is considered good-to-excellent and accessibility is considered good.

Site Utility

The subject consists of a 352,875± square foot, or 8.10± acre, irregularly-shaped, generally level site located at the signalized intersection of a Modified Major Highway II and a collector street and opposite a signalized T-intersection. The site has legal access from both Figueroa Street and Chick Hearn Court. The property is adjacent to the Los Angeles Convention Center and L.A. Live and is improved with a portion of Staples Center, although only the underlying land has been appraised at the request of the client. **Please refer to Extraordinary Assumption Nos. 20, 21, 22, 23, 24 and 25.** The subject has an adequate frontage-to-depth ratio, with visibility that is considered good-to-excellent and accessibility that is considered good overall. All utilities are available to the site, and there are no apparent on/off-site conditions that detrimentally impact the site's use. The site's configuration and location pose no major developmental problems. The site is similar to other parcels in the neighborhood and is functionally adequate for a commercial, residential or mixed use as permitted under current zoning. Overall, the utility of the subject is considered good.

Real Estate Assessment Data

The subject site, identified as a portion of Los Angeles County Assessor's Parcel Number 5138-016-913, is located in Tax Rate Area 00211. The 2011-2012 tax rate is 1.245849 percent. The subject is exempt from all taxes as it is owned by the City of Los Angeles, and therefore is not assessed.

Improvement Summary

The subject site consists of the underlying land of a portion of APN 5138-016-913. Although the property is improved with Staples Center, no consideration has been given to any existing buildings or improvements on the site, which were erected and are owned by AEG. **Please refer to Extraordinary Assumption No. 20.**

HIGHEST AND BEST USE

Highest and best use is defined on Page 278 of The Appraisal of Real Estate, Appraisal Institute (13th Edition, 2008), as:

“The reasonably probable and legal use of vacant land or an improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value.”

The concept of highest and best use represents the premise upon which value is based. In the context of the market value definition used in this report, other appropriate terms can also reflect the highest and best use concept. These are the most probable and most profitable use for the site, first "as if vacant" and then "as improved or proposed."

The determination of highest and best use is based not only on an analysis of the property in question, but also on an analysis of the overall community, its history and trends, zoning, market conditions, as well as the basic principles of land utilization.

As indicated in the definition above, there are four elements in highest and best use analysis that must be considered. The highest and best use of a property is that use, among alternate uses, that is legally permissible, physically possible, financially feasible, and maximally productive.

The following factors must be considered as follows:

- | | |
|------------------------|--|
| <u>Legal Use:</u> | The use in question must be legally permissible. |
| <u>Physical Use:</u> | The use in question must be physically possible. |
| <u>Feasible Use:</u> | The use in question must be economically feasible, not speculative or conjecture. |
| <u>Productive Use:</u> | Among the feasible uses, that use which will produce the highest net return to the land. |

Factors controlling highest and best use include:

- Type of use;
- Duration of use;
- Location of use; and
- Degree of intensity of use-density.

The highest use of land is dictated by zoning and other government and/or private restrictions. The best use is constituted by that single use from the possible alternative types of improvements which will produce the greatest economic advantage.

The following are our conclusions of Highest and Best Use As-Vacant:

As-Vacant

The Highest and Best Use of the subject as vacant assumes that the property is vacant or could be rendered vacant by demolishing the existing improvements. Based on that assumption, possible uses for the property can be considered among those uses which are legally permissible, physically possible, financially feasible, and maximally productive.

Legal - The subject's zoning is governed and enforced by the City of Los Angeles. The property is currently owned by The City of Los Angeles, and the majority of the site is zoned PF-4D-O, Public Facilities, with a land use designation of Public Facilities, although the northeastern 3.70 acres are zoned C2-4D-O, Commercial, with a corresponding land use designation of Regional Commercial. According to Senior City Planner Jon Foreman, the entire site would likely be re-zoned C2-4D-O, Commercial, with a corresponding land use designation of Regional Commercial, if sold to a private party. **Please refer to Extraordinary Assumption Nos. 24 and 25.** Uses permitted in the C2 zone include, but are not limited to, art or antique shops, tire shops, restaurants/tea rooms/cafes, advertising signs/structures/billboards, auditoriums or stadiums with a seating capacity of not more than 3,000, automotive fueling and service stations, new and used automobile sales, hospitals, parking buildings, second-hand stores, schools, and motion picture or media production. CR, C1, C1.5 and R4 uses are also permitted, with some limitations. The O supplemental use district allows oil drilling with a number of limitations. There are no lot area or setback requirements for commercial uses in the C2 zone; residential uses must meet the lot area and setback requirements for the R4 zone. Parking requirements vary depending upon use. The subject property is in Height District 4D, which limits CR uses to a maximum height of 75 feet; there are no specific height limits for other commercial uses. The D prefix generally limits the Floor Area Ratio (FAR) for R4 and commercial uses to a maximum of 6:1, with some exceptions.

The subject is located within the Los Angeles State Enterprise Zone, which allows reduced parking ratios and provides economic incentives to stimulate local investment and employment through tax and regulation relief and improvement of public services, and the Greater Downtown Housing Incentive Area, which allows a 35 percent floor area bonus for projects that voluntarily provide a prescribed percentage of units for affordable housing. It is also located within the Central City and Downtown Business District Parking Areas, which have reduced parking requirements for a variety of uses.

Although requested, Riggs & Riggs, Inc., was not provided with a Preliminary Title Report specific to the subject property or a map plotting the encumbrances that impact the subject property. Therefore, for the purposes of analysis, it is assumed that any encumbrances impacting the subject property are typical for an urban property and do not adversely impact the site. **Please refer to Extraordinary Assumption No. 23.** These are the legal uses and requirements under the current zoning.

Physical - After identifying the legal uses of the site, the physical uses of a vacant site are considered. Development constraints imposed on a site vary by its configuration, size, and topography, which are fixed in location. The subject is irregular in shape, with a gross area of 352,875± square feet, or 8.10± acres. **Please refer to Extraordinary Assumption Nos. 20, 21 and 22.** The site is not located within an Alquist-Priolo fault zone, although it is located within an unidentified fault zone and a methane zone. Topography is generally level, and the site is considered legally conforming to current zoning requirements. The site is located at the signalized intersection of a Modified Major Highway II and a collector street, with good-to-excellent visibility, good accessibility, and an adequate frontage-to-depth ratio. Taking these physical and legal factors into consideration, the subject site has good utility and appears to be legally and physically suited for a commercial, residential or mixed use consistent with zoning.

Economic - The best use is considered to be that single use from among all the physically possible uses legally-permitted by zoning which will produce the greatest economic advantage to a vacant site. This is due to the fact that real estate is fixed in location and return on land arises from the residual income remaining after all operational and financial expenses are deducted from the gross income.

The subject property is located in downtown Los Angeles and surrounded by L.A. Live to the north, the Los Angeles Convention Center to the south and west, and a parking lot to the east. The downtown area is 99% built-out, and new construction is limited to the redevelopment of existing properties. Economic conditions are stabilizing, and projects that had been suspended due to the recession are starting to move forward.

Based on a cursory review of the legal restrictions and physical site, it is our opinion that it is economically-feasible to develop a commercial, residential or mixed use on the subject site, assuming that financing could be obtained. The maximally productive use is considered to be that single use from among all the physically possible and legally permissible uses that will produce the greatest economic advantage to a vacant site. After review of the legal, physical, and economic factors mentioned relative to the subject, it is our opinion that the highest and best use of the site, as though vacant, is to develop a commercial, residential or mixed use consistent with zoning, assuming that financing could be obtained.

APPROACHES TO VALUE

The valuation of any parcel of real estate is derived principally through the three basic approaches to market value: the Cost Approach; the Income Capitalization Approach; and the Sales Comparison Approach. The methodology used in the following sections of the appraisal include:

Cost Approach - This approach to value is devoted to an analysis of the physical value of the property; that is, the current market value of the vacant land, to which is added the cost to construct the improvements. Any accrued depreciation is deducted for physical deterioration, functional obsolescence, and external obsolescence. Physical deterioration measures the physical wearing out of the property as observed during the field inspection. Functional obsolescence reflects a lack of desirability by reason of layout, style or design of the structure. External obsolescence denotes a loss in value from causes outside the property itself.

Income Capitalization Approach - Investment properties are normally valued in proportion to their ability to produce income. Hence, an analysis of the property in terms of its ability to provide a sufficient net annual return on invested capital is an important means of valuing an asset. An opinion of value by the Income Capitalization Approach is arrived at by capitalizing the net income at an interest rate or investment yield commensurate with the risk inherent in the fee ownership of the property. Such a conversion of income considers competitive returns offered by alternative investments. Commercial developments are considered to be desirable real estate investments.

Sales Comparison Approach - This approach to value is based upon the principle of substitution; that is, when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable property, assuming no costly delay in making the substitution. As no property is identical to another, it is necessary to make adjustments for any differences.

The indications of value derived by the three approaches are not always possible or practical to use. The nature of the property being appraised and the amount, quality, and type of market data available dictates the use or non-use of one or more of the approaches to value. In this appraisal, only the Sales Comparison Approach was utilized since only the underlying land of the subject property is being appraised. The Cost and Income Capitalization Approaches are not applicable.

SALES COMPARISON APPROACH

The application of the Sales Comparison Approach produces an opinion of value for the subject property by comparing it with similar or comparable properties which have recently sold. The comparison process is used to determine the degree of comparability between two properties. This process involves judgment. Similarity in value factors, such as property rights, buyer expenditures, financing, condition of sale, market conditions, location, and physical characteristics are considered meaningful for this analysis.

The sale price of the properties deemed to be most comparable establish a range in which the value of the subject property should fall. Further consideration of the comparative data will result in a figure representing the value of the subject property – the highest price at which it could be sold by a willing seller to a willing buyer as of the date of the value.

The technique is fairly simple in nature. Sales data of comparable properties are gathered, investigated, and verified. Data sources have been discussed, and each sale is confirmed with buyer, seller, or representative when possible. After verification, comparison is made between the comparable and the subject. Adjustments, if required, are made for any differences between sale and subject. The result is some unit or units of comparison which will be helpful in evaluating the subject property.

The Sales Comparison Approach is used to estimate the value of real estate, based on the theory that an informed and prudent buyer would not pay more for a property than the cost of acquiring another property with the same utility. It is, therefore, based upon the principle of substitution. This approach requires an active market and the availability of other properties from which a buyer can make a choice.

Several transfers are considered reasonably comparable to the subject and suitable for further analysis. Data items are narrowed to those sales which exhibit the greatest similarity to the subject. In order to determine an indicated value, the subject was evaluated based on the Sale Price Per Square Foot.

Market Data Summary

Although the subject property is currently zoned PF-4D-O and C2-4D-O, Senior City Planner Jon Foreman has indicated that the entire site would likely be re-zoned C2-4D-O if sold to a private third party. Therefore, consistent with the conclusion of Highest and Best Use As Vacant, a search was made for sales of commercial land within the City of Los Angeles and surrounding markets over the past 3 years. This resulted in 5 sales that were considered reasonably similar to the subject, all of which were under 8 acres in size. The search was therefore expanded to include sales over the past 6 years that were in proximity to the subject. The resulting sales were gathered, compared and analyzed. The results of this process provide the basis for the opinion of value for the site as if vacant and available for development to its highest and best use. All of the sales are adjusted for quantitative factors, when applicable. Our market data is found on the following page, along with a location map depicting each sale. Since the Scenario Two sales are identical to the Scenario One sales, data sheets have not been repeated to avoid redundancy.

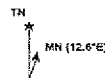
COMPARABLE LAND SALES



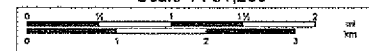
Data use subject to license.

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www.delorme.com



Scale 1 : 81,250



1" = 1.28 mi

Data Zoom 11-3

LAND SALES SUMMARY					
Sale No.	Location	Sale Date	Zoning	Land Area (SF)	Sale Price
				Orientation	Sale Price/SF
1	901 West Olympic Boulevard Los Angeles	8/17/11	LASED	44,530 SF	\$20,000,000
				Corner	\$449.14
2	3670 Wilshire Boulevard Los Angeles	7/14/11	(T)(Q)C2-2	96,762 SF	\$21,000,000
				Corner	\$217.03
3	1215 South Flower Street Los Angeles	6/10/11	LASED	118,832 SF	\$31,000,000
				Corner	\$260.87
4	311 West 3rd Street Los Angeles	3/10/11	C2-4D	26,400 SF	\$3,300,000
				Corner	\$125.00
5	10000 Santa Monica Boulevard Los Angeles	11/17/10	C2-2-O	105,415 SF	\$59,500,000
				Corner	\$564.44
6	9900 Wilshire Boulevard Beverly Hills	10/6/10	9900 Wilshire Specific Plan	346,302 SF	\$148,300,000
				Interior	\$428.24
7	1136 Ingraham Street Los Angeles	9/1/10	C4(CW)-U/6	71,783 SF	\$10,000,000
				Corner	\$139.31
8	1101 South Flower Street Los Angeles	8/15/06	LASED	200,812 SF	\$80,000,000
				Corner	\$398.38
9	2300 - 2400 South Flower Street Los Angeles	7/18/06	[Q]C2-2-O	411,642 SF	\$70,500,000
				Corner	\$171.27
10	The city block bounded by James M. Wood Boulevard, Francisco Street, 8th Street and the Harbor/Pasadena (110) Freeway Los Angeles	12/14/05	C2-4D	274,428 SF	\$70,000,000
				Corner	\$255.08
Subject	1111 South Figueroa Street Los Angeles	--	C2-4D-O	352,875 SF	--
				Corner	--

Discussion of Adjustments

All of the land sales have been adjusted to the subject property for property rights, buyer expenditures, financing, condition of sale, market conditions, location, and physical factors when applicable. These adjustments are defined below:

Property Rights at Sale

This category adjusts for property rights conveyed and takes into account differences in legal estate between the subject and each comparable property. Generally, property rights are either fee simple interest or leased fee interest.

Buyer Expenditures

This category adjusts for additional costs incurred by the buyer which are required to make the property ready for development and/or use. This includes expenditures for demolition costs and other expenses paid by the buyer in addition to the purchase price.

Financing

This category adjusts the sale price of each comparable into its cash equivalent or modifies the price to current market financing. Favorable financing often leads to a higher selling price and unfavorable financing may reflect a lower selling price.

Condition of Sale

This category adjusts for atypical conditions of sale and reflects any difference between the actual sale price of a comparable and its probable sale if it were currently sold in an arm's length transaction. Please refer to the individual datasheets for discussion of applicable adjustments.

Market Conditions (Time)

This category adjusts for market conditions and reflects changes in the prices paid due to changes in market conditions over time. The comparable properties are adjusted from the date of sale to date of value. In reviewing the market, we found ten commercial land sales that cover a marketing time from December 2005 through August 2011. These were the most recent and competitive sales in the subject market. Our analysis of available market information, supported by discussions with market participants in the course of our verifications, indicates land prices for commercial land increased by approximately 12 percent annually, or 1.00 percent per month, between December 2005 and December 2007, decreased by approximately 12 percent annually, or 1.00 percent per month, between January 2008 and December 2010, and were generally stable between January 2011 and the present. Therefore, time adjustments were made for the appropriate time periods to the date of value.

Location and Physical Conditions

These categories consider differences between the subject and each comparable property for location and physical conditions. We considered differences in location, zoning/entitlements, size, site utility, visibility and accessibility. Each is defined below:

Location - This category adjusts the sales for differences in location for linkages, area, and other factors.

Zoning/Entitlements - This category adjusts for differences in zoning, legal entitlements, and allowable land uses. If quantified adjustments were made for the contributory value of entitlements as a Condition of Sale, no adjustment was made for entitlements relative to that sale in this category.

Size - This category adjusts for differences in the size of each comparable to the subject site. Typically, smaller properties require downward adjustment as they tend to reflect higher unit prices than larger sites. Larger properties require upward adjustment as they tend to reflect lower unit prices than smaller sites.

Site Utility - This category adjusts for differences in topography, development, configuration, and usability of the site.

Visibility - This category adjusts for differences in the visibility of each sale to the subject site.

Accessibility - This category adjusts for differences in the accessibility of each sale to the subject site.

The adjustment grid on the following page summarizes the adjustments for each of the sales as they apply to the subject property. Adjustments for differences between the subject and each comparable property are expressed in percentages for property rights, buyer expenditures, financing, condition of sale, and market conditions based on our analysis of the market, as applicable. Qualitative adjustments have been applied for the location and other physical characteristics of each sale compared with the subject. A superior rating indicates the market data item is being adjusted downward to the subject. An inferior rating indicates the market data item is being adjusted upward to the subject. Each physical characteristic may not be weighted equally. Then, an overall rating is assigned to each sale as it compares with the subject.

LAND SALE ADJUSTMENT GRID - SCENARIO TWO											
Adjustment Factors	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6	Sale 7	Sale 8	Sale 9	Sale 10
Unadjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$428.24	\$139.31	\$398.38	\$171.27	\$255.08
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$428.24	\$139.31	\$398.38	\$171.27	\$255.08
Buyer Expenditures	--	None	None	None	None	None	4.70%	None	None	None	None
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$448.37	\$139.31	\$398.38	\$171.27	\$255.08
Financing	--	Cash	Cash	Market	Market	Cash	Cash	Market	Market	Market	Market
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$448.37	\$139.31	\$398.38	\$171.27	\$255.08
Condition of Sale	--	Arm's Length	Arm's Length	Arm's Length	Arm's Length	Arm's Length	-25.0%	Arm's Length	Arm's Length	Arm's Length	-25.0%
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$564.44	\$336.28	\$139.31	\$398.38	\$171.27	\$191.31
Market Conditions	--	0.00%	0.00%	0.00%	0.00%	-1.48%	-2.86%	-4.01%	-19.47%	-18.55%	-11.45%
Adjusted \$/SF		\$449.14	\$217.03	\$260.87	\$125.00	\$556.08	\$326.66	\$133.72	\$320.82	\$139.50	\$169.40
Location and Physical Conditions											
Location	Gd - Ex	Gd - Ex	Gd - Ex	Gd - Ex	Good	Excellent	Excellent	Good	Gd - Ex	Good	Gd - Ex
Adjustment		Similar	Similar	Similar	Sl. Inferior +	Sl. Superior -	Sl. Superior -	Sl. Inferior +	Similar	Sl. Inferior +	Similar
Zoning/Entitlements	C2-4D-O	LASED Entitled	(T)(Q)C2-2 Entitled	LASED	C2-4D	C2-2-O	9900 Wilshire Specific Plan	C4(CW)-U/6	LASED	[Q]C2-2-O	C2-4D
Adjustment		Superior -	Superior -	Sl. Superior -	Similar	Sl. Inferior +	Sl. Inferior +	Similar	Sl. Superior -	Inferior +	Similar
Size	352,875 SF	44,530 SF	96,762 SF	118,832 SF	26,400 SF	105,415 SF	346,302 SF	71,783 SF	200,812 SF	411,642 SF	274,428 SF
Adjustment		Smaller -	Smaller -	Smaller -	Smaller -	Smaller -	Similar	Smaller -	Smaller -	Similar	Smaller -
Site Utility	Good	Average	Average	Avg - Gd	Fair - Avg	Good	Avg - Gd	Average	Good	Avg - Gd	Good
Adjustment		Inferior +	Inferior +	Sl. Inferior +	Inferior +	Similar	Sl. Inferior +	Inferior +	Similar	Sl. Inferior +	Similar
Visibility	Gd - Ex	Good	Gd - Ex	Gd - Ex	Good	Gd - Ex	Gd - Ex	Good	Excellent	Good	Excellent
Adjustment		Sl. Inferior +	Similar	Similar	Sl. Inferior +	Similar	Similar	Sl. Inferior +	Sl. Superior -	Sl. Inferior +	Sl. Superior -
Accessibility	Good	Good	Good	Gd - Ex	Avg - Gd	Good	Gd - Ex	Good	Gd - Ex	Good	Avg - Gd
Adjustment		Similar	Similar	Sl. Superior -	Sl. Inferior +	Similar	Sl. Superior -	Similar	Sl. Superior -	Similar	Sl. Inferior +
Overall Rating		Superior	Superior	Superior	Inferior	Superior	Superior	Inferior	Superior	Inferior	Superior

Analysis and Conclusions

The adjusted sales range from \$125.00 to \$556.08 per square foot, before adjusting for physical characteristics. Based on our analysis of the land sales, the overall ratings of the adjusted sales compared to the subject property are as follows:

Inferior (Sale Nos. 4, 7 and 9)	\$125.00 to \$139.50 per square foot
Similar	N/A
Superior (Sale Nos. 1, 2, 3, 5, 6, 8 and 10)	\$217.03 to \$556.08 per square foot

Based on our analysis, an expected value indicator for the subject should fall between \$139.50 and \$217.03 per square foot. Sale Nos. 4, 7 and 9 were considered inferior to the subject overall at \$125.00 to \$139.50 per square foot, due primarily to inferior location, zoning/entitlements, site utility, visibility and/or accessibility as compared to the subject. They set the lower range of value for the subject. Sale Nos. 1, 2, 3, 5, 6, 8 and 10 were considered superior to the subject overall at \$217.03 to \$556.08 per square foot, due primarily to superior location, zoning/entitlements, visibility, accessibility, or smaller size as compared to the subject. They set the upper range of value for the subject.

After considering adjustments for differences in property rights, buyer expenditures, financing, conditions of sale, market conditions, location and physical characteristics, it is our opinion that an appropriate value indicator for the subject site, underlying land only, is \$200.00 per square foot, which is within the range of the market. Shown below is our calculation of the market value of subject site:

LAND MARKET VALUE

Land Area		Price/Square Foot		Indicated Value
352,875± SF	x	\$200.00	=	\$70,575,000
Indicated Value of the Subject Site by the Sales Comparison Approach			Rounded To:	<u>\$70,575,000</u>

**RECONCILIATION AND FINAL OPINION
(FEE SIMPLE)**

The final conclusion or opinion has resulted from the application of the Sales Comparison Approach. In summary, this approach provides a value indicator for vacant land and is most commonly used by market participants. The Sales Comparison Approach is considered to be the primary approach to value. **Please refer to Extraordinary Assumption Nos. 20, 21, 22, 23, 24 and 25.** Based on the data presented, analysis, and reconciliation, the Market Value of the Fee Simple Interest in the subject property, underlying land only, as of November 3, 2011, is:

SEVENTY MILLION FIVE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS
\$70,575,000.

MARKET GROUND RENT CALCULATIONS

At the request of the Client, we have calculated the annual market ground rent for the subject property as of March 26, 2053 based upon the \$70,575,000 concluded market value of the fee simple interest in the subject property as of November 3, 2011. The market ground rent calculation will be utilized in negotiations with the proposed developer, AEG, to establish a ground lease extension for the subject property. According to the terms of the draft MOU, the current ground lease will be extended upon its March 25, 2053 expiration so that it will be co-terminus with the adjacent Event Center proposed ground lease, on or about 2067. Although there are no rent escalations noted for the lease extension in the MOU, the proposed lease for the Event Center includes a 1.75 percent annual rent escalation clause. Based upon our review of the draft MOU and analysis of the market, it is our opinion that a 1.75 percent rent escalation rate is reasonable, if applied to the proposed lease extension as well. **Please refer to Extraordinary Assumption No. 26.**

The market was surveyed for current ground leases, rates of return, and leasing practices of both private firms and public agencies to derive the estimated net operating income attributable to the land. No recent vacant land leases were discovered in the area. Therefore, the market value of the land was multiplied by an appropriate rate of return to derive a market rental rate for the land. A survey of private firms and public agencies was therefore conducted to determine their required rates of return on land. The following table shows the results of that survey:

GROUND LEASES		
Firm	Public/Private	Required Rates of Return
CJ Segerstrom & Sons	Private	9.0 to 10.0%
Teachers Insurance & Annuity Association	Private	8.0 to 9.5%
McDonald's, Canoga Park (Ground Lessee)	Private	5.3%
Jack in the Box, Valencia (Ground Lessee)	Private	5.3%
Chili's, Pico Rivera (Ground Lessee)	Private	5.1%
First Industrial Acquisitions, Inc. (Listing)	Private	7.5 to 8.25%
City of Long Beach	Public	8.0 to 8.5%
County of Los Angeles	Public	8.0%
County of Orange	Public	8.0 to 9.0%
Los Angeles County MTA	Public	6.5%
MWDSC	Public	6.0 to 10.0%
Port of Long Beach	Public	8.0 to 12.0%
Port of Los Angeles	Public	10.0%
San Bernardino County	Public	10.0%
Southern California Edison	Public	10.0%

Land leases are typically written for a 5 to 12 percent return on the estimated value of the land. Our records indicate that municipal agencies, such as The Metropolitan Water District of Southern California, Port Authorities, and Southern California cities predominantly range from 6.5 to 10 percent. Private firms have negotiated ground leases in the range of 5.1 to 10 percent. Based on our analysis, we conclude a 7.0 percent rate of return is appropriate.

In order to derive the annual market rental rate for the land as of March 26, 2053, the concluded 7.0 percent rate of return was multiplied by the market value of the land as of March 26, 2053. The market value of the land as of March 26, 2053 was calculated by multiplying the concluded market value of the fee simple interest in the land as of November 3, 2011, or \$70,575,000, by a future value factor of 2.26966160,

representing a 2.0 percent annual growth rate between November 3, 2011 and March 26, 2053 (41.39 years). Thus, the market value of the fee simple interest in the land as of March 26, 2053 would be \$160,181,367. The annual market ground rental rate for the subject as of March 26, 2053 is calculated as follows:

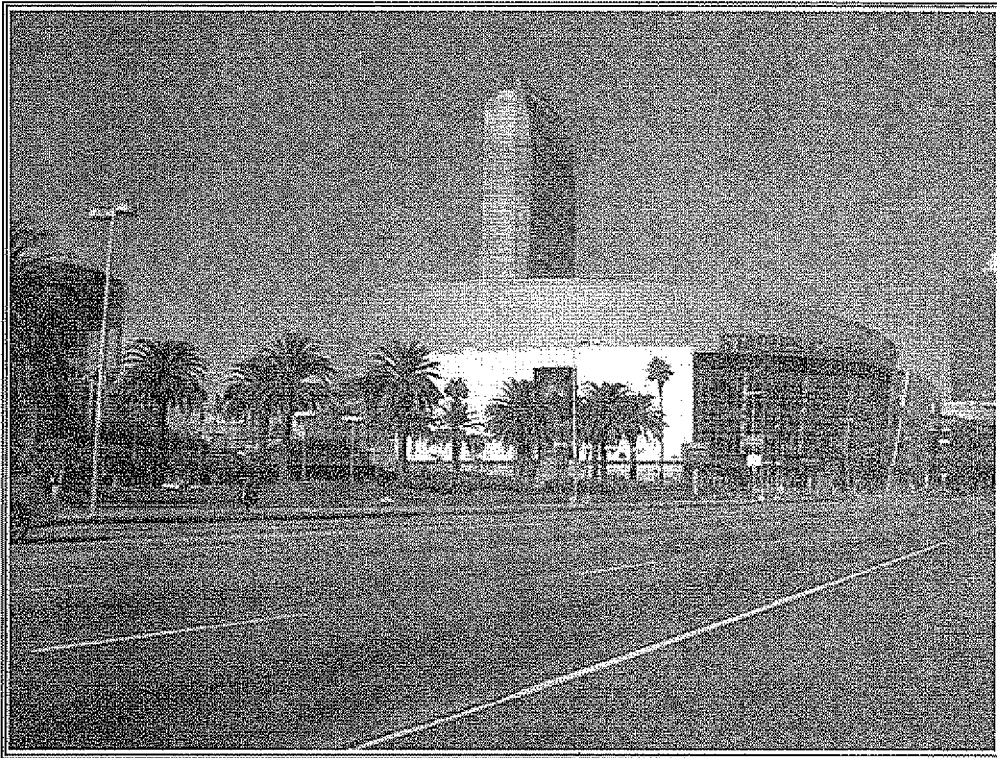
Market Value 3/26/2053		Percentage		Term		Indicated Value
\$160,181,367	x	7.0	x	1 Year	=	\$11,212,696
Annual Ground Market Rental Value of the Subject Site as of March 26, 2053						\$11,212,696

The final conclusion or opinion has resulted from applying an appropriate rate of return on land to the market land value as of March 26, 2053, which was calculated by applying a future value factor to the concluded market value of the subject property as of November 3, 2011. Based on the data presented, analysis, and reconciliation, the annual Market Ground Rent for the subject property, underlying land only, is:

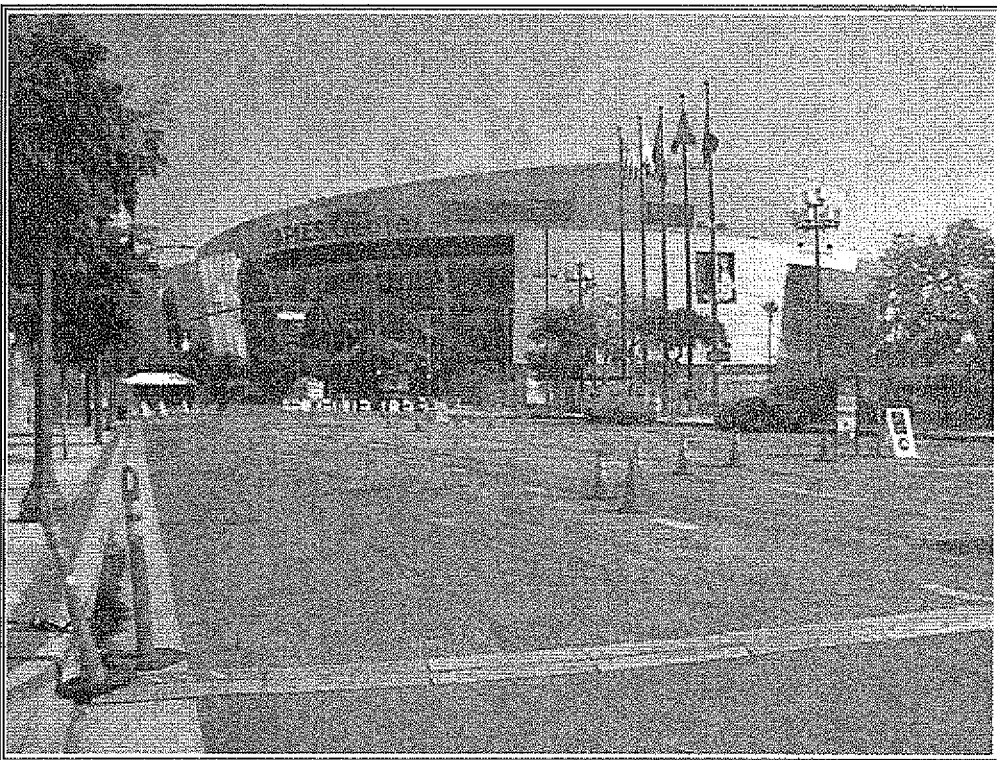
As of March 26, 2053.....\$11,212,696

A D D E N D A

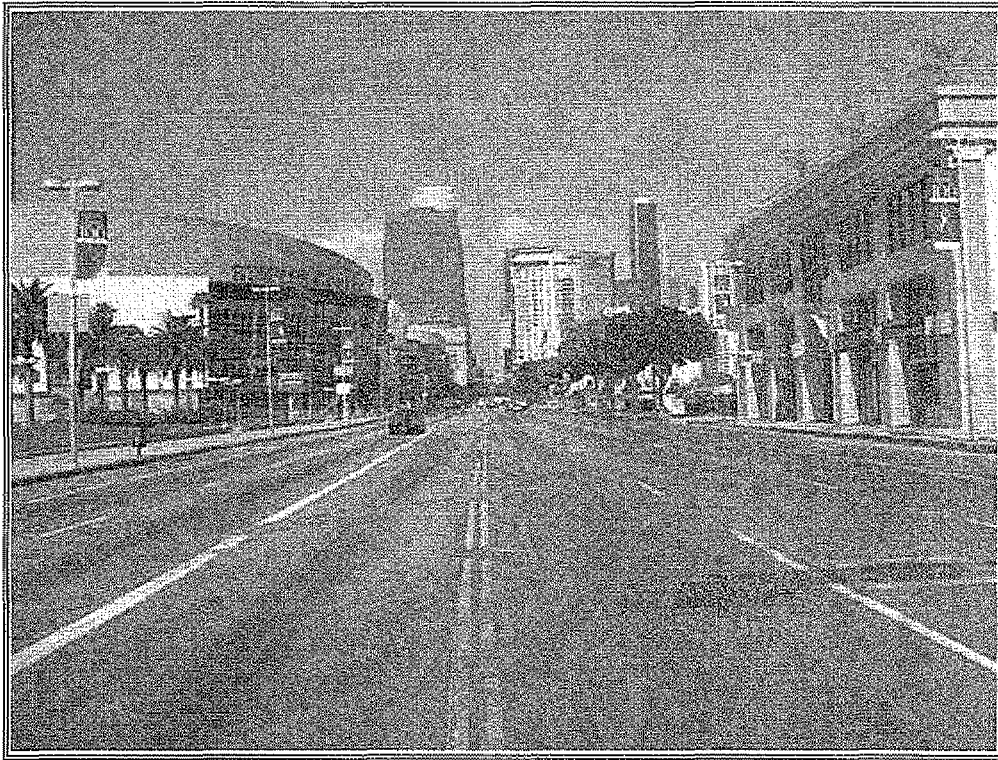
SUBJECT PHOTOPAGES



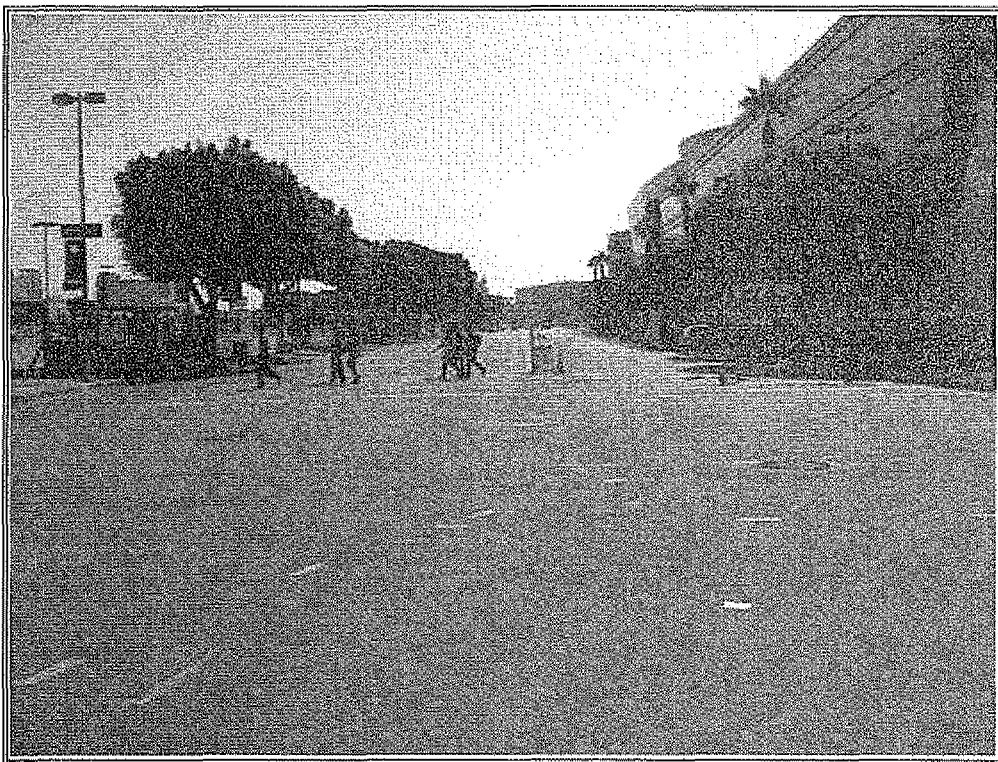
SUBJECT PROPERTY LOOKING NORTH FROM FIGUEROA STREET



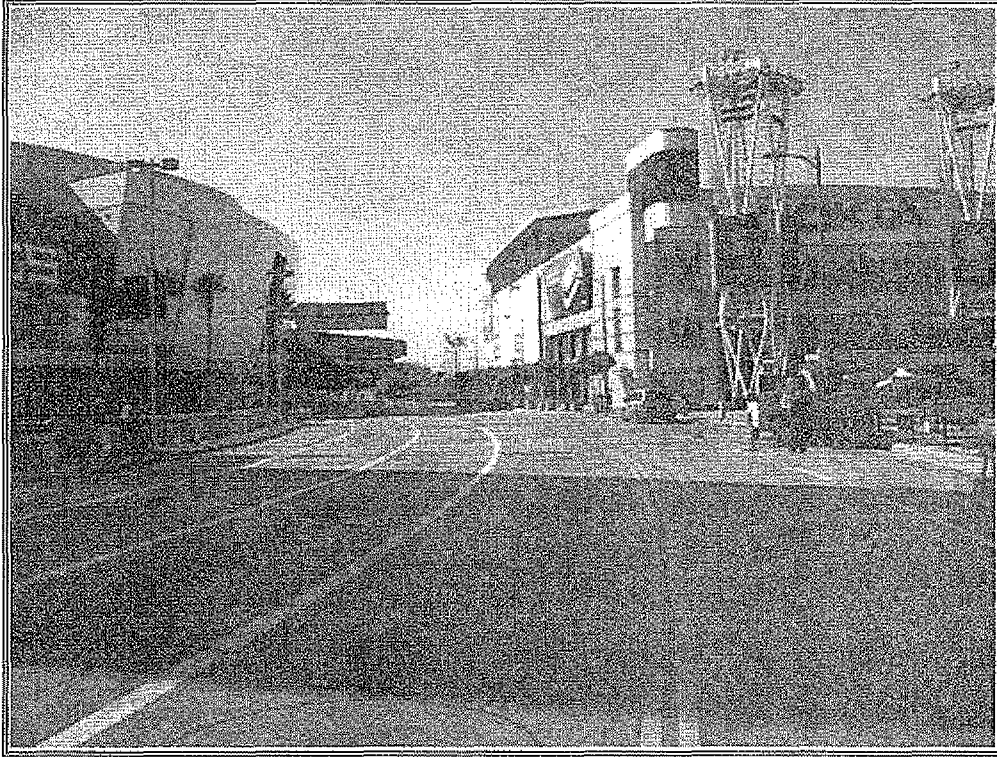
SUBJECT PROPERTY LOOKING SOUTHEAST FROM CHICK HEARN COURT



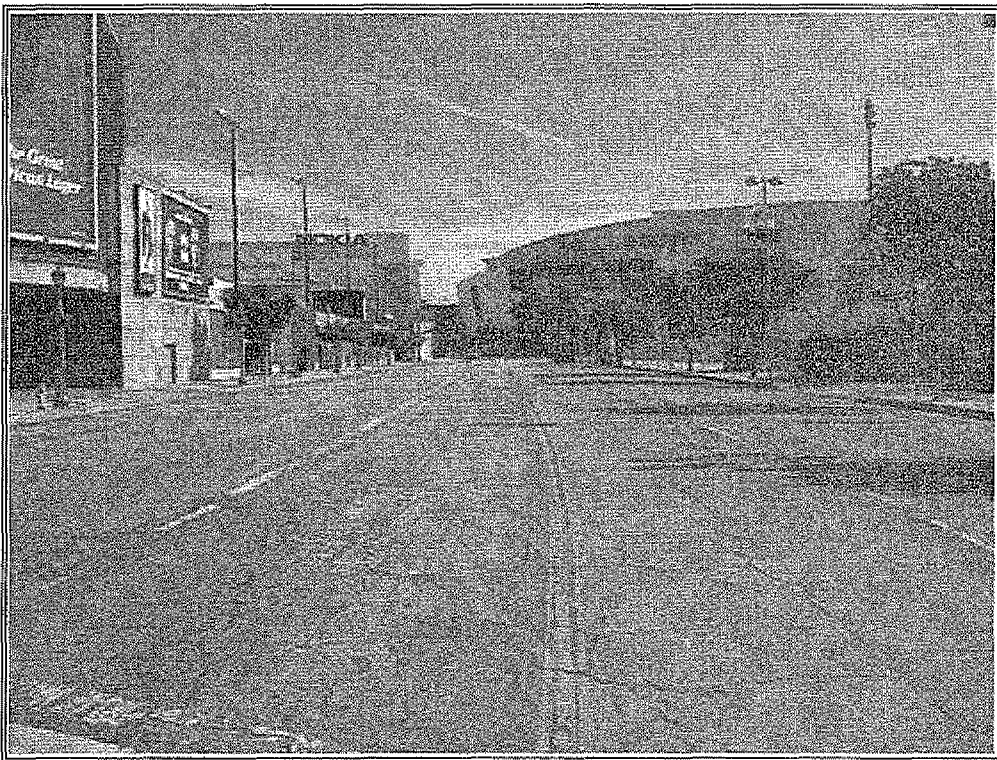
STREET SCENE LOOKING NORTHEAST ALONG FIGUEROA STREET
WITH SUBJECT AT LEFT OF PHOTO



STREET SCENE LOOKING SOUTHWEST ALONG FIGUEROA STREET
WITH SUBJECT AT RIGHT OF PHOTO



STREET SCENE LOOKING EAST ALONG CHICK HEARN COURT
WITH SUBJECT AT LEFT OF PHOTO



STREET SCENE LOOKING WEST ALONG CHICK HEARN COURT
WITH SUBJECT AT RIGHT OF PHOTO



Chicago Title Company

Commercial/Industrial Division,
700 South Flower, Suite 800 Los Angeles, CA 90017 (213) 488-4300

Title Department:

Chicago Title Company
Attn: Dave Balassi
Email: Dave.Balassi@CTT.com
Phone: (213) 488-4394
Fax: (213) 488-4360
Order No.: 116743050F-X49



PRELIMINARY REPORT

Property Address: AEG Los Angeles Stadium and Event Center

Dated as of: August 1, 2011 at 7:30 am

In response to the application for a policy of title insurance referenced herein, Chicago Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said Policy forms.

The printed Exceptions and Exclusion from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Chicago Title Insurance Company

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

SCHEDULE A

1. The estate or interest in the land hereinafter described or referred to covered by this report is:

A Fee

2. Title to said estate or interest at the date hereof is vested in:

City of Los Angeles

3. The land referred to in this report is situated in the State of California, County of Los Angeles and is described in the Legal Description, attached hereto:

END OF SCHEDULE A

LEGAL DESCRIPTION

PARCEL A:

LOTS 1 TO 6 INCLUSIVE OF TRACT 28165, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 814 PAGES 66 TO 69 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF TRENTON STREET SOUTH BETWEEN FIGUEROA STREET AND PICO BOULEVARD AS SHOWN AND DEDICATED ON THE MAP OF TRACT 28165, NOW VACATED BY (COUNCIL FILE NO. 82-1136 OF THE CITY OF LOS ANGELES) RESOLUTION NO. 83-01558 OF THE CITY OF LOS ANGELES, ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY CLERK OF SAID CITY, AND RECORDED JUNE 5, 1990 AS INSTRUMENT NO. 90-1003283, AS SAID VACATION IS SHOWN IN VOLUME 23 PAGE 89 OF STREET VACATION MAPS ON FILE IN THE OFFICE OF CITY CLERKS OF SAID CITY AND TOGETHER WITH ALL OF NAGOYA STREET AND TRENTON STREET SHOWN AS TRENTON STREET NORTH ON THE MAP OF SAID TRACT 28165, BOUNDED AS FOLLOWS:

BOUNDED SOUTHEASTERLY BY A STRAIGHT LINE CONNECTING THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE SOUTHEASTERLY LINE OF LOT 1 OF SAID TRACT, SHOWN AS HAVING A BEARING AND LENGTH OF SOUTH 37° 41' 37" WEST, 187.38 FEET WITH THE SOUTHWESTERLY TERMINUS OF THAT CERTAIN COURSE IN THE SOUTHEASTERLY LINE OF LOT 3 OF SAID TRACT, SHOWN AS HAVING A BEARING AND LENGTH OF SOUTH 37° 41' 37" WEST, 363.89 FEET; AND BOUNDED NORTHERLY BY A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY TERMINUS OF THAT CERTAIN CURVE IN THE NORTHERLY LINE OF SAID LOT 1, SHOWN AS HAVING A RADIUS OF 651 FEET, AND AN ARC LENGTH OF 256.90 FEET; THENCE CONTINUING EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 1° 59' 47", AN ARC DISTANCE OF 22.68 FEET; THENCE SOUTH 86° 28' 08" EAST, 99.75 FEET TO THE NORTHERLY LINE OF LOT 2, SAID TRACT 28165, NOW VACATED BY (COUNCIL FILE NO. 82-1136 OF THE CITY OF LOS ANGELES) RESOLUTION NO. 90-01558 OF THE CITY OF LOS ANGELES, ON FILE IN THE OFFICE OF THE CITY CLERK OF SAID CITY, AND RECORDED AUGUST 16, 1990 AS INSTRUMENT NO. 90-1426183, OFFICIAL RECORDS.

LEGAL DESCRIPTION
(continued)

EXCEPTING THEREFROM:

THOSE PORTIONS OF LOTS 1, 2 AND 3 AND TRENTON STREET NORTH, 82 FEET AND 97 FEET WIDE, NOW VACATED BY (COUNCIL FILE NO. 82-1136 OF THE CITY OF LOS ANGELES) RESOLUTION NO. 90-01558 OF THE CITY OF LOS ANGELES, ON FILE IN THE OFFICE OF THE CITY CLERK OF SAID CITY, AND RECORDED AUGUST 16, 1990 AS INSTRUMENT NO. 90-1426183, OFFICIAL RECORDS, AS SHOWN ON TRACT NO. 28165, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 814 PAGES 66 PAGES 66 TO 69 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHEASTERLY LINE OF LOT 1, DISTANT THEREON SOUTH 61 DEGREES 51 MINUTES 21 SECONDS EAST 652.41 FEET FROM THE NORTHWESTERLY TERMINUS OF SAID LINE SHOWN AS SOUTH 61 DEGREES 51 MINUTES 43 SECONDS EAST 666.02 FEET ON SAID TRACT NO. 28165 THEREOF; THENCE SOUTH 28 DEGREES 08 MINUTES 39 SECONDS WEST 44.47 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 105.00 FEET; THENCE SOUTHWESTERLY, WESTERLY AND NORTHWESTERLY 138.02 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 75 DEGREES 18 MINUTES 41 SECONDS; THENCE NORTH 76 DEGREES 32 MINUTES 40 SECONDS WEST 33.23 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 43.00 FEET; THENCE WESTERLY 29.66 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 39 DEGREES 31 MINUTES 13 SECONDS; THENCE ON A NON-TANGENT LINE SOUTH 61 DEGREES 32 MINUTES 47 SECONDS EAST 162.17 FEET; THENCE NORTH 28 DEGREES 27 MINUTES 13 SECONDS EAST 31.50 FEET; THENCE SOUTH 61 DEGREES 32 MINUTES 47 SECONDS EAST 34.73 FEET; THENCE SOUTH 28 DEGREES 27 MINUTES 13 SECONDS WEST 31.50 FEET; THENCE SOUTH 61 DEGREES 32 MINUTES 47 SECONDS EAST 32.62 FEET; THENCE 28 DEGREES 25 MINUTES 47 SECONDS WEST 269.35 FEET; THENCE SOUTH 61 DEGREES 48 MINUTES 26 SECONDS EAST 63.37 FEET; THENCE NORTH 73 DEGREES 31 MINUTES 42 SECONDS EAST 60.45 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 161.60 FEET AND TO WHICH BEGINNING A RADIAL LINE BEARS NORTH 72 DEGREES 37 MINUTES 32 SECONDS EAST; THENCE SOUTHWESTERLY 100.58 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 35 DEGREES 39 MINUTES 46 SECONDS; THENCE ON A NON-TANGENT LINE; SOUTH 61 DEGREES 37 MINUTES 19 SECONDS EAST 377.64 FEET TO THE NORTHWESTERLY RIGHT OF WAY LINE OF FIGUEROA STREET, 112 FEET WIDE, AS SHOWN ON SAID MAP, THENCE NORTH 37 DEGREES 41 MINUTES 47 SECONDS EAST 61.43 FEET ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF FIGUEROA STREET, 112 FEET WIDE, TO THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE MOST SOUTHEASTERLY LINE OF SAID LOT 1 SHOWN AS SOUTH 37 DEGREES 41 MINUTES 37 SECONDS WEST 187.38 FEET; THENCE ON A DIRECT LINE NORTH 42 DEGREES 20 MINUTES 09 SECONDS EAST 123.63 FEET TO THE EASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE MOST SOUTHEASTERLY LINE OF SAID LOT

LEGAL DESCRIPTION

(continued)

3; SHOWN AS SOUTH 78 DEGREES 04 MINUTES 11 SECONDS WEST 22.85 FEET; THENCE NORTH 37 DEGREES 41 MINUTES 47 SECONDS EAST 545.94 FEET ALONG THE NORTHWESTERLY RIGHT-OF-WAY LINE OF FIGUEROA STREET, 102 FEET WIDE, AS SHOWN ON SAID MAP TO THE MOST EASTERLY CORNER OF LOT 2; THENCE NORTH 15 DEGREES 32 MINUTES 53 SECONDS WEST 17.90 FEET ALONG THE EASTERLY LINE OF SAID LOT 2 TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID ELEVENTH STREET, 102 FEET WIDE, AS SHOWN ON SAID MAP, SAID RIGHT-OF-WAY LINE BEING A NON-TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 549.00 FEET TO WHICH BEGINNING A RADIAL LINE BEARS NORTH 20 DEGREES 09 MINUTES 57 SECONDS EAST; THENCE WESTERLY 159.32 FEET ALONG SAID CURVED RIGHT-OF-WAY THROUGH A CENTRAL ANGLE OF 16 DEGREES 37 MINUTES 40 SECONDS; THENCE NORTH 86 DEGREES 27 MINUTES 43 SECONDS WEST 235.98 FEET ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF ELEVENTH STREET, TO THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE NORTHERLY LINE OF SAID LOT 2; SHOWN AS NORTH 50 DEGREES 01 MINUTES 32 SECONDS EAST 21.76 FEET ON SAID MAP; THENCE NORTH 86 DEGREES 16 MINUTES 08 SECONDS WEST 122.45 FEET ALONG A DIRECT LINE TO THE EASTERLY TERMINUS OF THAT CERTAIN CURVE IN THE SOUTHERLY LINE OF SAID ELEVENTH STREET, 102 FEET WIDE, AS SHOWN ON SAID MAP, HAVING A RADIUS OF 651 FEET, SAID POINT ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 651.00 FEET, AND TO WHICH BEGINNING A RADIAL LINE BEARS SOUTH 5 DEGREES 31 MINUTES 37 SECONDS WEST; THENCE WESTERLY AND NORTHWESTERLY 256.98 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22 DEGREES 37 MINUTES 03 SECONDS; THENCE NORTH 61 DEGREES 51 MINUTES 21 SECONDS WEST 13.62 FEET ALONG THE SOUTHEASTERLY RIGHT-OF-WAY OF ELEVENTH STREET, 102 FEET WIDE TO THE POINT OF BEGINNING.

EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN LOTS 13 AND 14, BLOCK 2 OF SAID SENTOUS TRACT, ALL GAS, OIL AND MINERAL BELOW A DEPTH OF 500 FEET, WITHOUT RIGHT OF SURFACE ENTRY, AS GRANTED TO ROBERT W.P. MONTGOMERY, A MARRIED MAN, BY DEED RECORDED JULY 18, 1967 IN BOOK D3706 PAGE 541, OFFICIAL RECORDS, AS INSTRUMENT NO. 3015.

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN LOT 70 OF SAID KINCAID'S TRACT AND THE SOUTHWESTERLY 6 FEET OF THE ALLEY ADJOINING SAID LOT 70; LOTS 42 AND 43 OF SAID FORMAN'S SUBDIVISION OF THE WEST 20 ACRES OF LOT 8, BLOCK 36 OF HANCOCK'S SURVEY, ALL GAS, OIL AND MINERALS BELOW A DEPTH OF 500 FEET WITHOUT RIGHT OF SURFACE ENTRY AS GRANTED LOT JAMES A. HENDERSON, A MARRIED MAN BY DEED NOVEMBER 16, 1966 IN BOOK D3483 PAGE 677, OFFICIAL RECORDS, AS INSTRUMENT NO. 2050.

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN LOT 16 OF SAID KUGHEN AND CASTERLINE'S SUBDIVISION OF THE WARD TRACT, AN UNDIVIDED ONE-HALF INTEREST AND TO ALL CARBONS, MINERALS HYDROCARBONS AND OIL AND GAS APPURTENANT TO SAID LAND AS GRANTED TO CAROLE L. BENSON BY DEED RECORDED MARCH 29, 1968 IN BOOK D3955 PAGE 794, OFFICIAL RECORDS.

BY AN INSTRUMENT DATED JUNE 6, 1968 EXECUTED BY CAROLE L. BENSON, ALL RIGHTS TO ENTER UPON THE SURFACE OF SAID LAND WERE QUITCLAIMED TO THE CITY OF LOS ANGELES RECORDED JUNE 28, 1968 AS INSTRUMENT NO. 2969.

LEGAL DESCRIPTION

(continued)

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN LOT 38 OF SAID KINCAID'S TRACT, ALL OF THE OIL, GAS, GOLD, SILVER AND OTHER PRECIOUS METALS, MINERALS AND MINERAL SUBSTANCES AND OTHER HYDROCARBON SUBSTANCES, AS GRANTED TO SAHARA APTS., INC., A CORPORATION, BY DEED RECORDED IN BOOK 56379 PAGE 119, OFFICIAL RECORDS, BUT WITHOUT THE RIGHT OF SURFACE ENTRY AND QUITCLAIMED BY SAID SAHARA APTS., INC., IN DEED RECORDED IN BOOK D1492 PAGE 847, OFFICIAL RECORDS. A DEED TO THE CITY OF LOS ANGELES FURTHER RECITES, "IT IS FURTHER UNDERSTOOD THAT ALL DIRECTIONAL DRILLING SHALL BE CONDUCTED IN SUCH A MANNER THAT THE WELLS, HOLE, SHAFT OR OTHER MEANS OF REACHING OR REMOVING SUCH OIL, GAS OR OTHER HYDROCARBON SUBSTANCES DOES NOT PENETRATE ANY PART OR PORTION OF SAID REAL PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF".

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN THAT LOT PORTION OF LOT 3, BLOCK 4 OF SAID SENTOUS TRACT, ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER SAID PORTION OF LOT 3, WITHOUT, HOWEVER THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE OF SAID LAND AS RESERVED BY STATE OF CALIFORNIA, IN DEED RECORDED SEPTEMBER 24, 1958 AS INSTRUMENT NO. 3651 IN BOOK D225 PAGE 376, OFFICIAL RECORDS.

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN LOTS 2, 3 AND 14, BLOCK 4 OF SAID SENTOUS TRACT, ALL GAS, OIL AND MINERALS BELOW THE DEPTH OF 500 FEET, WITHOUT THE RIGHT OF SURFACE ENTRY AS GRANTED TO COMERA TYPE, INC., A CORPORATION BY DEED RECORDED DECEMBER 19, 1967 AS INSTRUMENT NO. 2531 IN BOOK D3862 PAGE 920, OFFICIAL RECORDS.

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN LOTS 1 TO 19 OF SAID KINCAID'S TRACT, ALL OIL, GAS AND HYDROCARBON SUBSTANCES LYING BENEATH A DEPTH OF 500 FEET FROM THE PRESENT SURFACE OF SAID LAND AND WITHOUT ANY RIGHT OF ENTRY UPON THE SURFACE OF SAID LAND ABOVE SAID 500 FOOT DEPTH, TOGETHER WITH ANY AND ALL LEASES AFFECTING SUCH OIL AND GAS, ETC., WHETHER OF RECORD OR NOT, AS RESERVED TO THE GRANTOR THEREIN IN DEED EXECUTED BY R. LESLIE KELLEY, A MARRIED MAN RECORDED APRIL 1, 1966 IN BOOK D3257 PAGE 809, OFFICIAL RECORDS, AS INSTRUMENT NO. 1580.

A DEED TO THE CITY OF LOS ANGELES FURTHER RECITES; "IT IS FURTHER UNDERSTOOD THAT ALL DIRECTIONAL DRILLING SHALL BE CONDUCTED IN SUCH A MANNER THAT THE WELL, HOLE SHAFT OR OTHER MEANS OF REACHING OR REMOVING SUCH OIL, GAS OR OTHER HYDROCARBON SUBSTANCES DOES NOT PENETRATE ANY PART OR PORTION OF SAID REAL PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF".

LEGAL DESCRIPTION

(continued)

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN PORTIONS OF LOT 8, BLOCK 36, HANCOCK'S SURVEY SPECIFICALLY DESCRIBED IN DECREES OF DISTRIBUTION RECORDED IN BOOK D4172 PAGE 989, OFFICIAL RECORDS, IN BOOK D4330 PAGE 949, OFFICIAL RECORDS, IN BOOK D4275 PAGE 35, OFFICIAL RECORDS AND IN BOOK D4038 PAGE 742, OFFICIAL RECORDS (CITY PARCELS 50, 51, 11, 12 AND 13). THE EASTERLY 25 FEET OF LOT 25 AND ALL OF LOTS 26, 30, 31, 41, 42, 59, 62, 63 AND 64. THE SOUTHWESTERLY 25 FEET OF LOT 53 ALL IN FORMAN'S SUBDIVISION OF THE WEST 20 ACRES OF LOT 8 BLOCK 36 OF HANCOCK'S SURVEY, PORTIONS OF LOTS 12 AND 13 OF KUGHEN AND CASTERLINE'S SUBDIVISION, OF THE WARD TRACT RECORDED IN BOOK D4330 PAGE 975, OFFICIAL RECORDS (CITY PARCEL 52); LOTS 39, 45 (44 PORTIONS OF 46 AND 48, RECORDED IN BOOK D4337 PAGE 756, OFFICIAL RECORDS), (ALL OF LOT 47 AND PORTION OF LOT 49 RECORDED OCTOBER 28, 1969 AS INSTRUMENT NO. 7262 IN BOOK M3334 PAGE 145, OFFICIAL RECORDS). LOTS 51, 68, 69, 27 AND 29 ALL IN KINCAID'S TRACT AND ALL OF THE FIRESTONE TRACT, ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER, AND RECOVERABLE FROM THE REAL PROPERTIES, WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF FOR THE PURPOSE OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE AS EXCEPTED IN THE FINAL ORDERS OF CONDEMNATION, A CERTIFIED COPY OF WHICH, WERE RECORDED IN VARIOUS INSTRUMENTS OF RECORD.

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE REMAINING LOTS ACQUIRED BY THE CITY OF LOS ANGELES, BY VARIOUS DEEDS OF RECORD (BUT NOT INCLUDING THOSE PORTIONS OF SENTOUS STREET, ELEVENTH STREET, GEORGIA STREET DESCRIBED IN DEEDS RECORDED APRIL 9, 1885, IN BOOK 137 PAGE 390 OF DEEDS, IN BOOK 137 PAGE 391 OF DEEDS, IN BOOK 137 PAGE 392 OF DEEDS, IN BOOK 137 PAGE 393 OF DEEDS, RELINQUISHMENT RECORDED APRIL 22, 1964 IN BOOK R1896 PAGE 67, OFFICIAL RECORDS AND LOT 17 OF KUGHEN AND CASTERLINE'S SUBDIVISION OF THE WARD TRACT):

ALL OIL, GAS AND OTHER CARBON SUBSTANCES IN, UNDER AND RECOVERABLE FROM SAID HEREINBEFORE DESCRIBED PROPERTY, TOGETHER WITH THE RIGHT TO DRILL FOR AND PRODUCE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES BY DIRECTIONAL DRILLING CONDUCTED FROM SURFACE LOCATIONS ON LAND OTHER THAN THE LANDS HEREINABOVE MENTIONED; IT BEING UNDERSTOOD THAT SUCH EXCEPTION AND RESERVATION SHALL NOT OPERATE TO CREATE ANY RIGHT TO CONDUCT DRILLING OPERATIONS FROM ANY PORTIONS OF THE SURFACE OF SAID ABOVE DESCRIBED LAND. IT IS FURTHER UNDERSTOOD THAT ALL DIRECTIONAL DRILLING, SHALL BE CONDUCTED IN SUCH A MANNER THAT THE WELL, HOLE SHAFT OR OTHER MEANS OF REACHING OR REMOVING SUCH OIL, GAS OR OTHER HYDROCARBON SUBSTANCES DOES NOT PENETRATE ANY PART OR PORTION OF SAID REAL PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY VARIOUS DEEDS OF RECORD.

LEGAL DESCRIPTION
(continued)

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND DESCRIBED IN THE FINAL ORDER OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED APRIL 25, 1969 AS INSTRUMENT NO. 3171 ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM THE SAID REAL PROPERTIES WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSES OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE. AS EXCEPTED IN THE FINAL ORDER CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED APRIL 25, 1969 IN BOOK D4350 PAGE 624, OFFICIAL RECORDS AS INSTRUMENT NO. 3171.

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND DESCRIBED IN THE FINAL ORDER OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED JUNE 10, 1969 AS INSTRUMENT NO. 2600 ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM THE SAID REAL PROPERTIES WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSES OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE, AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED JUNE 10, 1969 IN BOOK D4397 PAGE 132, OFFICIAL RECORDS, AS INSTRUMENT NO. 2600.

ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND DESCRIBED IN THE FINAL ORDER OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED JANUARY 23, 1970 AS INSTRUMENT NO. 2758 ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM THE SAID REAL PROPERTIES WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSES OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE, AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED JANUARY 23, 1970 IN BOOK D4615 PAGE 229, OFFICIAL RECORDS.

PARCEL B:

PARCELS 1 AND 2 OF OFFICIAL MAP NO. 2, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED ON JUNE 14, 1989 AS INSTRUMENT NO. 89-958587, IN BOOK 5 PAGES 38 TO 40 OF OFFICIAL MAPS.

EXCEPT FROM SAID PARCEL 1 THAT PORTION THEREOF DESCRIBED AS "PARCEL S-1 AND S-3" IN GRANT DEED TO THE STATE OF CALIFORNIA RECORDED MARCH 1, 1994 AS INSTRUMENT NO. 94-415105, OF OFFICIAL RECORDS.

LEGAL DESCRIPTION
(continued)

PARCEL C:

PARCEL 1:

A PARCEL OF LAND, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING THAT PORTION OF THE AIRSPACE OVER PICO BOULEVARD, 102 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 28165, AS PER MAP RECORDED IN BOOK 814 PAGES 66 PAGES 66 TO 69 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED NORTHWESTERLY BY A LINE PARALLEL WITH AND DISTANT 280 FEET NORTHWESTERLY MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE AND ITS PROLONGATION OF LOT 5, DENNIS AND STEWART'S ADDITION, AS PER MAP RECORDED IN BOOK 6 PAGE 440 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND BOUNDED SOUTHEASTERLY BY A LINE PARALLEL WITH AND DISTANT 10 FEET NORTHWESTERLY MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE AND ITS PROLONGATION OF SAID LOT 5, SAID AIRSPACE LYING ABOVE A HORIZONTAL DATUM PLANE AT AN ELEVATION WHICH IS 15 FEET 0 INCH ABOVE THE MAXIMUM TOP OF CURB ELEVATION BELOW SAID AIRSPACE ON THE NORTHERLY SIDE OF SAID PICO BOULEVARD AS SAID CURB IS SHOWN ON PLAN NO. P-25905 ON FILE IN THE OFFICE OF THE CITY ENGINEER OF THE CITY OF LOS ANGELES.

PARCEL 2:

A PARCEL OF LAND, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING THAT PORTION OF THE AIRSPACE OVER PICO BOULEVARD, 102 FEET WIDE, AS SHOWN ON SAID MAP OF TRACT 28165, BOUNDED NORTHWESTERLY BY A LINE PARALLEL WITH AND DISTANT 7 FEET THE NORTHWESTERLY MEASURED AT RIGHT ANGLES FROM THE NORTHWESTERLY LINE AND ITS PROLONGATION OF LOT 4, BLOCK 1, WRIGHT'S SUBDIVISION OF THE SISTER OF CHARITY TRACT, AS PER MAP RECORDED IN BOOK 5 PAGE 431 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND BOUNDED SOUTHEASTERLY BY A LINE PARALLEL WITH AND DISTANT 28 FEET SOUTHEASTERLY MEASURED AT RIGHT ANGLES FROM SAID NORTHWESTERLY LINE AND ITS PROLONGATION OF LOT 4, SAID AIRSPACE LYING ABOVE A HORIZONTAL DATUM PLANE AT AN ELEVATION WHICH IS 15 FEET 0 INCH ABOVE THE MAXIMUM TOP OF CURB ELEVATION BELOW SAID AIRSPACE ON THE NORTHERLY SIDE OF SAID PICO BOULEVARD AS SAID CURB IS SHOWN ON PLAN NO. P-25905 ON FILE IN THE OFFICE OF THE CITY ENGINEER OF THE CITY OF LOS ANGELES.

LEGAL DESCRIPTION
(continued)

PARCEL D: (STAPLES CENTER)

THOSE PORTIONS OF LOTS 1, 2 AND 3 AND TRENTON STREET NORTH, 82 FEET AND 97 FEET WIDE, NOW VACATED BY (COUNCIL FILE NO. 82-1136 OF THE CITY OF LOS ANGELES) RESOLUTION NO. 90-01558 OF THE CITY OF LOS ANGELES, ON FILE IN THE OFFICE OF THE CITY CLERK OF SAID CITY, AND RECORDED AUGUST 16, 1990 AS INSTRUMENT NO. 90-1426183, OFFICIAL RECORDS, AS SHOWN ON TRACT NO. 26165, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 814 PAGES 66 TO 69 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHEASTERLY LINE OF LOT 1, DISTANT THEREON SOUTH 61 DEGREES 51 MINUTES 21 SECONDS EAST 652.41 FEET FROM THE NORTHWESTERLY TERMINUS OF SAID LINE SHOWN AS SOUTH 61 DEGREES 51 MINUTES 43 SECONDS EAST 66.02 FEET ON SAID TRACT NO. 28165 THEREOF; THENCE SOUTH 28 DEGREES 08 MINUTES 39 SECONDS WEST 44.47 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 105.00 FEET; THENCE SOUTHWESTERLY, WESTERLY AND NORTHWESTERLY 138.02 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 75 DEGREES 18 MINUTES 41 SECONDS; THENCE NORTH 76 DEGREES 32 MINUTES 40 SECONDS WEST 33.23 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 43.00 FEET; THENCE WESTERLY 29.66 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 29 DEGREES 31 MINUTES 13 SECONDS; THENCE ON A NON-TANGENT LINE SOUTH 61 DEGREES 32 MINUTES 47 SECONDS EAST 162.17 FEET; THENCE SOUTH 28 DEGREES 27 MINUTES 13 SECONDS WEST 31.50 FEET; THENCE SOUTH 61 DEGREES 32 MINUTES 47 SECONDS EAST 34.73 FEET; THENCE SOUTH 28 DEGREES 27 MINUTES 13 SECONDS WEST 31.50 FEET; THENCE SOUTH 61 DEGREES 32 MINUTES 47 SECONDS EAST 32.62 FEET; THENCE 28 DEGREES 25 MINUTES 47 SECONDS WEST 269.35 FEET; THENCE SOUTH 61 DEGREES 48 MINUTES 26 SECONDS EAST 63.37 FEET; THENCE NORTH 73 DEGREES 31 MINUTES 42 SECONDS EAST 60.45 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 161.60 FEET AND TO WHICH BEGINNING A RADIAL LINE BEARS NORTH 72 DEGREES 37 MINUTES 32 SECONDS EAST; THENCE SOUTHWESTERLY 100.58 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 35 DEGREES 39 MINUTES 46 SECONDS;

LEGAL DESCRIPTION

(continued)

THENCE ON A NON-TANGENT LINE; SOUTH 61 DEGREES 37 MINUTES 19 SECONDS EAST 377.64 FEET TO THE NORTHWESTERLY RIGHT OF WAY LINE OF FIGUEROA STREET, 112 FEET WIDE, AS SHOWN ON SAID MAP, THENCE NORTH 37 DEGREES 41 MINUTES 47 SECONDS EAST 61.43 FEET ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF FIGUEROA STREET, 112 FEET WIDE, TO THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE MOST SOUTHEASTERLY LINE OF SAID LOT 1 SHOWN AS SOUTH 37 DEGREES 41 MINUTES 37 SECONDS WEST 187.38 FEET; THENCE ON A DIRECT LINE NORTH 42 DEGREES 20 MINUTES 09 SECONDS EAST 123.63 FEET TO THE EASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE MOST SOUTHEASTERLY LINE OF SAID LOT 3; SHOWN AS SOUTH 78 DEGREES 04 MINUTES 11 SECONDS WEST 22.85 FEET; THENCE NORTH 37 DEGREES 41 MINUTES 47 SECONDS EAST 545.94 FEET ALONG THE NORTHWESTERLY RIGHT-OF-WAY LINE OF FIGUEROA STREET, 102 FEET WIDE, AS SHOWN ON SAID MAP TO THE MOST EASTERLY CORNER OF LOT 2; THENCE NORTH 15 DEGREES 32 MINUTES 53 SECONDS WEST 17.90 FEET ALONG THE EASTERLY LINE OF SAID LOT 2 TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID ELEVENTH STREET, 102 FEET WIDE, AS SHOWN ON SAID MAP, SAID RIGHT-OF-WAY LINE BEING A NON-TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 549.00 FEET TO WHICH BEGINNING A RADIAL LINE BEARS NORTH 20 DEGREES 09 MINUTES 57 SECONDS EAST; THENCE WESTERLY 159.32 FEET ALONG SAID CURVED RIGHT-OF-WAY THROUGH A CENTRAL ANGLE OF 16 DEGREES 37 MINUTES 40 SECONDS; THENCE NORTH 86 DEGREES 27 MINUTES 43 SECONDS WEST 235.98 FEET ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF ELEVENTH STREET, TO THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE NORTHERLY LINE OF SAID LOT 2; SHOWN AS NORTH 50 DEGREES 01 MINUTES 32 SECONDS EAST 21.76 FEET ON SAID MAP; THENCE NORTH 86 DEGREES 16 MINUTES 08 SECONDS WEST 122.45 FEET ALONG A DIRECT LINE TO THE EASTERLY TERMINUS OF THAT CERTAIN CURVE IN THE SOUTHERLY LINE OF SAID ELEVENTH STREET, 102 FEET WIDE, AS SHOWN ON SAID MAP, HAVING A RADIUS OF 651 FEET, SAID POINT ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 651.00 FEET, AND TO WHICH BEGINNING A RADIAL LINE BEARS SOUTH 5 DEGREES 31 MINUTES 27 SECONDS WEST; THENCE WESTERLY AND NORTHWESTERLY 256.96 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22 DEGREES 37 MINUTES 03 SECONDS; THENCE NORTH 61 DEGREES 51 MINUTES 21 SECONDS WEST 13.62 FEET ALONG THE SOUTHEASTERLY RIGHT-OF-WAY OF ELEVENTH STREET, 102 FEET WIDE TO THE POINT OF BEGINNING.

LEGAL DESCRIPTION

(continued)

EXCEPT THEREFROM, ALL OIL, CRUDE OIL, GAS, PETROLEUM, ASPHALTUM, HYDROCARBONS, CARBONS, MINERALS, AND MINERAL SUBSTANCES, GOLD, SILVER AND OTHER PRECIOUS METALS, AND OTHER KINDRED SUBSTANCES AND MINERALS OF WHATEVER NATURE, IN, UNDER AND RECOVERABLE FROM THE HEREINBEFORE DESCRIBED LAND, TOGETHER WITH THE RIGHT TO DRILL FOR AND PRODUCE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES BY DIRECTIONAL DRILLING CONDUCTED FROM SURFACE LOCATIONS ON LAND OTHER THAN THE LANDS HEREINABOVE MENTIONED, SUCH EXCEPTION AND RESERVATION SHALL NOT OPERATE TO CREATE ANY RIGHT TO CONDUCT DRILLING OPERATIONS FROM ANY PORTION OF THE SURFACE OF SAID ABOVE DESCRIBED LAND, ALL DIRECTIONAL DRILLING SHALL BE CONDUCTED IN SUCH A MANNER THAT THE WELL, HOLE SHAFT OR OTHER HYDROCARBON SUBSTANCES DOES NOT PENETRATE ANY PART OR PORTION OF SAID REAL PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS EXCEPTED AND RESERVED IN VARIOUS INSTRUMENTS OF RECORD, THREE OF WHICH RECORDED JANUARY 10, 1958 AS INSTRUMENT NO. 2914, IN BOOK 56379, PAGE 119, OCTOBER 23, 1968 AS INSTRUMENT NO. 2933, IN BOOK D4172 PAGE 989 AND JANUARY 23, 1970 AS INSTRUMENT NO. 2758 IN BOOK D4615 PAGE 229, ALL OF OFFICIAL RECORDS.

PARCEL E: (PICO BOULEVARD)

A PARCEL OF LAND, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING THAT PORTION OF PICO BOULEVARD, 102 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 28165, AS PER MAP RECORDED IN BOOK 814 PAGES 66 PAGES 66 TO 69 INCLUSIVE OF MAPS BOUNDED AS FOLLOWS:

ON THE WEST BY THE SOUTHERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 1 OF THE AFOREMENTIONED TRACT 28165 HAVING A BEARING OF NORTH 28° 21' 02" EAST AND A DISTANCE OF 927.29 FEET;

ON THE EAST BY THE NORTHERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF PARCEL 1 OF OFFICIAL MAP NO. 2, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED ON JUNE 14, 1989 AS INSTRUMENT NO. 89-958587, IN BOOK 5 PAGES 38 TO 40 OF OFFICIAL MAPS, HAVING A BEARING OF NORTH 27° 57' 40" EAST AND A DISTANCE OF 1,245.85 FEET.

PARCEL F: (SENTOUS STREET)

A PARCEL OF LAND, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING THAT PORTION OF SENTOUS STREET, 102 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 28165, AS PER MAP RECORDED IN BOOK 814 PAGES 66 PAGES 66 TO 69 INCLUSIVE OF MAPS BOUNDED AS FOLLOWS:

ON THE NORTH BY THE SOUTHEASTERLY PROLONGATION OF A LINE IN THE NORTHERLY LINE OF LOT 5 OF SAID TRACT 28165, HAVING A BEARING OF SOUTH 7° 24' 08" WEST AND A DISTANCE OF 29.20 FEET, AND ON THE SOUTH BY THE WESTERLY PROLONGATION OF THE SOUTHERLY LINE OF LOT 1 OF SAID TRACT 28165 HAVING A BEARING OF 61° 33' 15" WEST, AND A DISTANCE OF 920.18 FEET.

LEGAL DESCRIPTION

(continued)

PARCEL G: (TWELFTH STREET)

A PARCEL OF LAND, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING THAT PORTION OF TWELFTH STREET, AS SHOWN ON THE MAP OF TRACT 28165, AS PER MAP RECORDED IN BOOK 814 PAGES 66 PAGES 66 TO 69 INCLUSIVE OF MAPS BOUNDED AS FOLLOWS:

ON THE EAST BY THE NORTHERLY PROLONGATION OF A LINE IN THE EASTERLY LINE OF LOT 6 OF SAID TRACT 28165, HAVING A BEARING OF NORTH 28° 21' 02" EAST AND A DISTANCE OF 509.35 FEET, AND ON THE WEST BY THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 6 OF SAID TRACT 28165 HAVING A BEARING OF NORTH 42° 47' 39" EAST, AND A DISTANCE OF 211.40 FEET.

PARCEL H: (PARTIAL LOTS ALONG WEST BOUNDARY OF SOUTH HALL)

PARCEL H-1:

THOSE PORTIONS OF LOTS 3, 6, 8, 10, 12 AND 14 IN BLOCK 2 OF WRIGHT'S SUBDIVISION OF THE SISTERS OF CHARITY TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 5 PAGE 431 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; TOGETHER WITH THAT PORTION OF THAT CERTAIN ALLEY (12.00 FEET WIDE) IN SAID CITY, COUNTY AND STATE, ADJOINING LOTS 3 AND 6 IN BLOCK 2 AND AS SHOWN ON SAID WRIGHT'S SUBDIVISION, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE SOUTHERLY TERMINUS OF THAT CERTAIN CURVE IN THE PARCEL OF LAND ACQUIRED BY THE STATE OF CALIFORNIA BY DEED RECORDED IN BOOK 55833 PAGE 47 OF OFFICIAL RECORDS IN SAID OFFICE, DESCRIBED THEREIN AS HAVING A RADIUS OF 155.00 FEET AND ARC DISTANCE OF 2.02 FEET; THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 0 DEGREES 20 MINUTES 03 SECONDS AN ARC DISTANCE OF .90 FEET A RADIAL LINE TO THE BEGINNING OF SAID CURVE BEARS SOUTH 87 DEGREES 18 MINUTES 55 SECONDS EAST AS SHOWN ON OFFICIAL MAP NO. 2 RECORDED IN BOOK 5 PAGES 38-40 OF OFFICIAL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY TO A NON TANGENT LINE THAT IS PARALLEL WITH AND DISTANT 45.00 FEET SOUTHEASTERLY FROM A LINE THAT BEARS SOUTH 27 DEGREES 37 MINUTES 46 SECONDS WEST AND PASSES THROUGH A POINT IN THE CENTER LINE OF PICO BOULEVARD (VARIOUS IN WIDTH) SAID POINT BEING DISTANT THEREOF SOUTH 61 DEGREES 33 MINUTES 15 SECONDS EAST 28.39 FEET FROM THE INTERSECTION OF THE CENTER LINE OF SAID PICO BOULEVARD WITH THE CENTER LINE OF SENTOUS STREET, SAID INTERSECTION AS SHOWN ON SAID OFFICIAL MAP; THENCE ALONG SAID PARALLEL LINE SOUTH 27 DEGREES 37 MINUTES 46 SECONDS WEST 277.86 FEET TO A POINT IN A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 165.00 FEET AS RECITED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED MARCH 15, 1957 AS INSTRUMENT NO. 2228 OF OFFICIAL RECORDS OF SAID COUNTY, (FOR PURPOSES OF THIS DESCRIPTION, SAID CURVE SHALL HAVE A RADIUS OF 164.78 FEET) A RADIAL LINE BEARS FROM SAID POINT SOUTH 42 DEGREES 59 MINUTES 14 SECONDS EAST;

LEGAL DESCRIPTION

(continued)

THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 4 DEGREES 34 MINUTES 20 SECONDS, AN ARC DISTANCE OF 13.15 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 184.75 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 23 DEGREES 57 MINUTES 12 SECONDS, AN ARC DISTANCE OF 77.23 FEET; THENCE TANGENT TO SAID CURVE NORTH 27 DEGREES 37 MINUTES 54 SECONDS EAST 103.58 FEET TO THE MOST WESTERLY CORNER OF THE LAND DESCRIBED IN THE STATE OF CALIFORNIA RELINQUISHMENT NO. 745 RECORDED MAY 7, 1970 AS INSTRUMENT NO. 1711 IN BOOK R-3414 PAGE 358 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG THE BOUNDARIES OF SAID RELINQUISHMENT AS FOLLOWS: NORTH 27 DEGREES 33 MINUTES 45 SECONDS EAST 20.36 FEET AND NORTH 03 DEGREES 10 MINUTES 56 SECONDS WEST 11.41 FEET TO A POINT IN A NON-TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 159.96 FEET, A RADIAL LINE FROM SAID POINT BEARS NORTH 66 DEGREES 27 MINUTES 01 SECONDS WEST; THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 20 DEGREES 51 MINUTES 54 SECONDS, AN ARC DISTANCE OF 58.25 FEET; TO THE POINT OF BEGINNING.

PARCEL H-2:

THOSE PORTIONS OF LOTS 20, 21, 22 AND 23 IN BLOCK 2 OF WRIGHT'S SUBDIVISION OF THE SISTERS OF CHARITY TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 5 PAGE 431 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH EASTERLY LINE OF SAID LOT 21 AND THE NORTHWESTERLY LINE OF WRIGHT STREET. FOR THE PURPOSE OF THIS DEED WRIGHT STREET BEARS NORTH 27 DEGREES 32 MINUTES 36 SECONDS EAST; THENCE SOUTH 68 DEGREES 22 MINUTES 04 SECONDS WEST 3.46 FEET TO A NON-TANGENT CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 29.50 FEET, THENCE FROM A TANGENT BEARING SOUTH 60 DEGREES 33 MINUTES 14 SECONDS WEST, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27 DEGREES 55 MINUTES 49 SECONDS AN ARC DISTANCE OF 14.38 FEET TO A POINT OF A REVERSE CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 40.50 FEET, A RADIAL LINE OF SAID REVERSE CURVE THROUGH SAID POINT BEARS NORTH 01 DEGREES 30 MINUTES 57 SECONDS WEST; THENCE SOUTHWESTERLY ALONG SAID REVERSE CURVE THROUGH A CENTRAL ANGLE OF 100 DEGREES 28 MINUTES 14 SECONDS AN ARC DISTANCE OF 71.02 FEET; THENCE NON-TANGENT TO SAID CURVE NORTH 29 DEGREES 18 MINUTES 57 SECONDS WEST 66.07 FEET; THENCE NORTH 20 DEGREES 26 MINUTES 59 SECONDS WEST 86.06 FEET TO THE SOUTHEASTERLY TERMINUS OF THAT CERTAIN COURSE RECITED AS HAVING A BEARING AND LENGTH OF "NORTH 00 DEGREES 39 MINUTES 18 SECONDS EAST 52.41 FEET" IN THE DIRECTOR'S DEED TO DAVID BENEZRA, WILLIAM VEPRIN AND JEANETTE VEPRIN, RECORDED MAY 31, 1966 AS INSTRUMENT NO. 2125 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE SOUTH 36 DEGREES 36 MINUTES 32 SECONDS EAST 42.32 FEET TO THE MOST NORTHERLY CORNER OF SAID LOT 21 IN BLOCK 2; THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT 21 TO THE POINT OF BEGINNING.

LEGAL DESCRIPTION

(continued)

PARCEL H-3:

THOSE PORTIONS OF LOTS 25 THROUGH 30, 32, AND 34, IN BLOCK 1 OF WRIGHT'S SUBDIVISION OF THE SISTERS OF CHARITY TRACT, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 5, PAGE 431 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; TOGETHER WITH THOSE PORTIONS OF WRIGHT STREET (50.00 FEET WIDE) AND DELONG STREET, FORMERLY VIRGINIA STREET, 46.00 FEET WIDE, AS SHOWN ON SAID WRIGHT'S SUBDIVISION OF THE SISTERS OF CHARITY TRACT; ALSO TOGETHER WITH THOSE PORTIONS OF LOTS 4 AND 5 IN BLOCK 3 OF THE HARVEY TRACT, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10, PAGE 77 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF THE LAND DESCRIBED AS PARCEL 9 IN THE STATE OF CALIFORNIA RELINQUISHMENT NO. 285 RECORDED JANUARY 6, 1964 AS INSTRUMENT NO. 3869, RECORDS OF SAID COUNTY; THENCE NORTH 27 DEGREES 30 MINUTES 39 SECONDS EAST 0.10 FEET TO THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN THE DEED TO FRED J. TABERY, RECORDED FEBRUARY 7, 1964 AS INSTRUMENT NO. 4333, RECORDS OF SAID COUNTY; THENCE ALONG THE WESTERLY LINE OF SAID DEED TO FRED J. TABERY, NORTH 17 DEGREES 43 MINUTES 26 SECONDS WEST 113.34 FEET TO THE SOUTHWESTERLY LINE OF THE NORTHEASTERLY 1 FOOT OF LOT 30, IN BLOCK 1 OF SAID WRIGHT'S SUBDIVISION OF THE SISTERS OF CHARITY TRACT; THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 61 DEGREES 20 MINUTES 44 SECONDS WEST 2.87 FEET TO THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 26, 1959 AS INSTRUMENT NO. 1874, RECORDS OF SAID COUNTY, SAID MOST SOUTHERLY CORNER BEING A POINT IN A NON-TANGENT CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 634.33 FEET IN THE EASTERLY LINE OF SAID DEED TO THE STATE OF CALIFORNIA, A RADIAL LINE FROM SAID POINT BEARS SOUTH 68 DEGREES 45 MINUTES 05 SECONDS WEST; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 4 DEGREES 17 MINUTES 42 SECONDS, AN ARC DISTANCE OF 47.55 FEET TO THE SOUTHEASTERLY LINE OF LOT 27, BLOCK 1 OF SAID WRIGHT'S SUBDIVISION OF THE SISTERS OF CHARITY; THENCE NON-TANGENT TO SAID CURVE NORTHEASTERLY ALONG THE SOUTHEASTERLY LINE OF LOTS 27 AND 25 IN SAID BLOCK 1 NORTH 27 DEGREES 31 MINUTES 32 SECONDS EAST 74.78 FEET TO THE MOST EASTERLY CORNER OF SAID LOT 25; THENCE NORTH 61 DEGREES 33 MINUTES 33 SECONDS WEST 120.25 FEET ALONG THE NORTHEASTERLY LINE OF SAID LOT 25 TO THE MOST NORTHERLY CORNER OF SAID LOT 25;

LEGAL DESCRIPTION
(continued)

THENCE SOUTH 27 DEGREES 32 MINUTES 27 SECONDS WEST 9.12 FEET ALONG THE NORTHWESTERLY LINE OF SAID LOT 25, TO THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN PARCEL 10, IN THE STATE OF CALIFORNIA RELINQUISHMENT NO, 285, RECORDED JANUARY 6, 1964 AS INSTRUMENT NO. 3869, RECORDS OF SAID COUNTY;

THENCE ALONG THE SOUTHWESTERLY LINE OF SAID PARCEL 10, NORTH 62 DEGREES 27 MINUTES 33 SECONDS WEST 18.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 15.50 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 4 DEGREES 58 MINUTES 08 SECONDS, AN ARC DISTANCE OF 1.35 FEET; THENCE NON-TANGENT TO SAID CURVE SOUTH 29 DEGREES 18 MINUTES 57 SECONDS EAST 168.28 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 486.33 FEET; THENCE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 33 DEGREES 34 MINUTES 29 SECONDS, AN ARC DISTANCE OF 284.98 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 1968.00 FEET, A RADIAL FROM SAID POINT BEARS SOUTH 77 DEGREES 43 MINUTES 08 SECONDS WEST; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 0 DEGREES 03 MINUTES 30 SECONDS, AN ARC DISTANCE OF 2.00 FEET TO A POINT ON THE WESTERLY LINE OF THE LAND DESCRIBED AS PARCEL 9, IN THE HEREIN ABOVE MENTIONED STATE OF CALIFORNIA RELINQUISHMENT NO. 285. SAID POINT BEING A POINT IN A NON-TANGENT CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 487.00 FEET IN THE WESTERLY LINE OF SAID RELINQUISHMENT NO. 285, A RADIAL LINE FROM SAID POINT BEARS NORTH 85 DEGREES 32 MINUTES 43 SECONDS WEST; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 5 DEGREES 41 MINUTES 53 SECONDS, AN ARC DISTANCE OF 48.43 FEET; THENCE NON-TANGENT TO SAID CURVE, NORTH 1 DEGREES 55 MINUTES 12 SECONDS EAST 97.04 FEET TO THE POINT OF BEGINNING

PARCEL H-4:

THAT CERTAIN PORTION OF AN ALTERED STREET, KNOWN AS WRIGHT STREET, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS NOW LOCATED AND CONSTRUCTED EASTERLY OF THE HARBOR FREEWAY, UPON, OVER AND ACROSS THOSE PORTIONS OF LOTS 21 AND 23 IN BLOCK 2 OF WRIGHT'S SUBDIVISION OF THE SISTERS OF CHARITY TRACT, AS SHOWN ON MAP RECORDED IN BOOK 5, PAGE 431 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; AND THAT PORTION OF WRIGHT STREET, 50.00 FEET WIDE, DESCRIBED AS A WHOLE AS FOLLOWS:

LEGAL DESCRIPTION
(continued)

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 21, THENCE SOUTH 68 DEGREES 22 MINUTES 04 SECONDS, 3.46 FEET TO A CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 29.50 FEET; THENCE FROM A TANGENT BEARING SOUTH 60 DEGREES 33 MINUTES 14 SECONDS WEST, WESTERLY ALONG SAID CURVE THROUGH AN ANGLE OF 27 DEGREES 55 MINUTES 49 SECONDS, AN ARC DISTANCE OF 14.38 FEET TO A POINT OF REVERSE CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 40.50 FEET, A RADIAL LINE OF SAID REVERSE CURVE THROUGH SAID POINT BEARS SOUTH 1 DEGREE 30 MINUTES 57 SECONDS EAST; THENCE SOUTHWESTERLY ALONG SAID REVERSE CURVE THROUGH AN ANGLE OF 117 DEGREES 47 MINUTES 55 SECONDS, AN ARC DISTANCE OF 83.27 FEET; THENCE SOUTH 29 DEGREES 18 MINUTES 52 SECONDS EAST, 46.18 FEET TO A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 15.50 FEET; THENCE SOUTHEASTERLY ALONG LAST SAID CURVE THROUGH AN ANGLE OF 33 DEGREES 08 MINUTES 32 SECONDS, AN ARC DISTANCE OF 8.97 FEET; THENCE TANGENT SOUTH 62 DEGREES 27 MINUTES 24 SECONDS EAST, 18.00 FEET TO THE SOUTHEASTERLY LINE OF SAID WRIGHT STREET; THENCE ALONG SAID SOUTHEASTERLY LINE NORTH 27 DEGREES 32 MINUTES 36 SECONDS EAST, 109.42 FEET; THENCE AT RIGHT ANGLES NORTH 62 DEGREES 27 MINUTES 24 SECONDS WEST, 50.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION THEREOF LYING WITHIN PARCEL 1 OF OFFICIAL MAP NO. 2, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED ON JUNE 14, 1989 AS INSTRUMENT NO. 89-958587, IN BOOK 5 PAGES 38 TO 40 OF OFFICIAL MAPS.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED AS "PARCEL S-2" IN GRANT DEED TO THE STATE OF CALIFORNIA RECORDED MARCH 1, 1994 AS INSTRUMENT NO. 94-415105, OF OFFICIAL RECORDS.

LEGAL DESCRIPTION
(continued)

PARCEL H-5:

THAT CERTAIN PORTION OF AN ALTERED STREET, KNOWN AS DE LONG STREET, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS NOW LOCATED AND CONSTRUCTED EASTERLY OF AN SANTA MONICA FREEWAY CONNECTION, UPON, OVER AND ACROSS THOSE PORTIONS OF LOTS 4, 5, 6, 7 AND 8 IN BLOCK 3 OF THE HARVEY TRACT, AS SHOWN ON MAP RECORDED IN BOOK 10, PAGE 77 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; AN THAT PORTION OF SAID DE LONG STREET, 46.00 FEET WISE, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHEASTERLY LINE OF SAID DE LONG STREET, DISTANT THEREON NORTH 27 DEGREES 30 MINUTES 44 SECONDS EAST, 21.62 FEET FROM THE MOST WESTERLY CORNER OF LOT 2 IN SAID BLOCK 3; THENCE ALONG SAID SOUTHEASTERLY LINE SOUTH 27 DEGREES 30 MINUTES 44 SECONDS WEST, 67.15 FEET TO A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 47.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE THROUGH AN ANGLE OF 34 DEGREES 31 MINUTES 41 SECONDS, AN ARC DISTANCE OF 28.32 FEET; THENCE TANGENT SOUTH 7 DEGREES 00 MINUTES 57 EAST, 45.58 FEET TO A TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 223.00 FEET; THENCE SOUTHERLY ALONG LAST SAID CURVE THROUGH AN ANGLE OF 45 DEGREES 45 MINUTES 28 SECONDS AN ARC DISTANCE OF 178.07 FEET; THENCE NORTH 11 DEGREES 45 MINUTES 51 SECONDS EAST, 115.91 FEET TO A TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 487.00 FEET; THENCE NORTHERLY ALONG LAST SAID CURVE THROUGH AN ANGLE OF 13 DEGREES 00 MINUTES 29 SECONDS, AN ARC DISTANCE OF 110.57 FEET; THENCE NORTH 1 DEGREE 55 MINUTES 34 SECONDS EAST, 96.99 FEET TO THE NORTHWESTERLY LINE OF SAID DE LONG STREET; THENCE AT RIGHT ANGLES TO SAID NORTHWESTERLY LINE SOUTH 62 DEGREES 29 MINUTES 16 SECONDS EAST, 46.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION THEREOF LYING WITHIN PARCEL 1 OF OFFICIAL MAP NO. 2, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED ON JUNE 14, 1989 AS INSTRUMENT NO. 89-958587, IN BOOK 5 PAGES 38 TO 40 OF OFFICIAL MAPS.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED AS "PARCEL S-1 AND S-3" IN GRANT DEED TO THE STATE OF CALIFORNIA RECORDED MARCH 1, 1994 AS INSTRUMENT NO. 94-415105, OF OFFICIAL RECORDS.

LEGAL DESCRIPTION
(continued)

PARCEL I:

THAT PORTION OF CHERRY STREET AS SHOWN ON THE MAP OF OFFICIAL MAP NO. 2, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED ON JUNE 14, 1989 AS INSTRUMENT NO. 89-958587, IN BOOK 5 PAGES 38 TO 40 OF OFFICIAL MAPS, DESCRIBED AS FOLLOWS:

BOUNDED ON THE NORTHEAST BY THE SOUTHWESTERLY LINE OF PICO BOULEVARD AS SHOWN ON SAID OFFICIAL MAP; AND

BOUNDED SOUTHWESTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF BOND STREET AS SHOWN ON SAID OFFICIAL MAP.

END OF LEGAL DESCRIPTION

SCHEDULE B

At the date hereof, items to be considered and exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

A. Property taxes, including any assessments collected with taxes, for the fiscal year 2011 - 2012 that are a lien not yet due.

B. Said land is shown as exempt on the Los Angeles County Tax Roll for the fiscal year 2010 - 2011

Assessors Parcel Numbers: 5138-016-908, 909, 912, 913, 914 and 5134-007-921, 933

Affects: The fee interest

C. Property taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2010 - 2011

1st Installment: \$2,142,813.44 (Paid)
2nd Installment: \$2,142,814.44
Penalty and Cost: \$214,291.34 (Due after April 10)
Homeowners Exemption: \$None
Code Area: 0000211

Assessors Parcel Number: 8940-356-003

Affects: The possessory interest of LA Arena Funding LLC, dba Staples Center

D. Property taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2010 - 2011

1st Installment: \$515.05 (Paid)
2nd Installment: \$515.04
Penalty and Cost: \$61.50 (Due after April 10)
Homeowners Exemption: \$None
Code Area: 0000211

Assessors Parcel Number: 8940-382-628

Affects: Possessory interest of Sabrina Automotive Group LLC, dba Honda of Downtown LA

SCHEDULE B
(continued)

E. Property taxes, including any assessments collected with taxes, for the fiscal year 2010 - 2011

1st Installment: \$488.90
 Penalty: \$48.89 (Due after December 10)
 2nd Installment: \$488.89
 Penalty and Cost: \$58.89 (Due after April 10)
 Homeowners Exemption: \$None
 Code Area: 0000211

Assessors Parcel Number: 8940-438-003

Affects: Possessory interest of Annual Home Remodeling

F. Property taxes, for the fiscal year 2010 - 2011 are paid. For proration purposes the amounts are:

1st Installment: \$46.24 Paid
 2nd Installment: \$46.23 Paid
 Code Area: 0000211

Assessors Parcel Number: 8940-438-007

Affects: Possessory interest of Apartment Owners Trade Show

G. Property taxes, for the fiscal year 2010 - 2011 are paid. For proration purposes the amounts are:

1st Installment: \$4,203.23 Paid
 2nd Installment: \$4,203.23 Paid
 Code Area: 430.32

Assessors Parcel Number: 8940-438-011

Affects: Possessory interest of California Gift Show

H. Property taxes, including any assessments collected with taxes, for the fiscal year 2010 - 2011

1st Installment: \$595.41
 Penalty: \$59.54 (Due after December 10)
 2nd Installment: \$595.41
 Penalty and Cost: \$69.54 (Due after April 10)
 Homeowners Exemption: \$None
 Code Area: 0000211

Assessors Parcel Number: 8940-438-016

Affects: Possessory interest of El Sembrador

SCHEDULE B
(continued)

I. Property taxes, for the fiscal year 2010 - 2011 are paid. For proration purposes the amounts are:

1st Installment: \$82.34 Paid
2nd Installment: \$82.33 Paid
Code Area: 0000211

Assessors Parcel Number: 8940-438-017

Affects: Possessory interest of El Shaddai DWXI PPFII

J. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Part 0.5, Chapter 3.5 or Part 2, Chapter 3, Articles 3 and 4 respectively (commencing with Section 75) of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A; or as a result of changes in ownership or new construction occurring prior to date of policy.

SCHEDULE B
(continued)

1. Various oil and gas leases for the terms therein provided with certain covenants, conditions and provisions, together with easements, if any as set forth therein.

Lessor: As provided therein
Lessee: Standard Oil Company of California
Recorded: July 26, 1965 as Instrument No. 3548, of Official Records; August 2, 1963 as Instrument No. 4886 in Book M1317 Page 875, of Official Records; May 20, 1966 as Instrument No. 4461 in Book M2227 Page 702, of Official Records; March 12, 1965 as Instrument No. 3343, of Official Records; September 18, 1957 as Instrument No. 2892, in Book 55639 Page 436, of Official Records; March 26, 1959 as Instrument No. 4384 in Book M248 Page 488, of Official Records; August 16, 1963 as Instrument No. 4792 in Book M1327 Page 887, of Official Records; September 4, 1964 as Instrument No. 5417, of Official Records; August 29, 1957 as Instrument No. 2711 in Book 35472 Page 128, of Official Records; August 14, 1957 as Instrument No. 5096 in Book 55327 Page 20, of Official Records; December 17, 1964 as Instrument No. 2846, of Official Records; August 2, 1963 as Instrument No. 4886 in Book M1377 Page 875, of Official Records; September 11, 1957 as Instrument No. 3046, in Book 55570 Page 228, of Official Records; June 27, 1957 as Instrument No. 2702, of Official Records; May 10, 1957 as Instrument No. 4355 in Book 54470 Page 292, of Official Records; August 6, 1957 as Instrument No. 3337 in Book 55257 Page 186, of Official Records; June 12, 1957 as Instrument No. 2937 in Book 54764 Page 92, of Official Records; March 24, 1966 as Instrument No. 2902, of Official Records; July 13, 1965 as Instrument No. 3799, of Official Records; August 14, 1957 as Instrument No. 5213 in Book 55343 Page 259, of Official Records; July 22, 1964 as Instrument No. 4088, of Official Records; June 27, 1957 as Instrument No. 2744 in Book 54094 Page 246, of Official Records; September 18, 1957 as Instrument No. 2896 in Book 55639 Page 426, of Official Records; September 18, 1957 as Instrument No. 4059 in Book 55637 Page 358, of Official Records; October 6, 1966 as Instrument No. 2902, of Official Records; August 14, 1957 as Instrument No. 5243 in Book 55343 Page 220, of Official Records; November 12, 1963 as Instrument No. 5616 in Book D1389 Page 353, of Official Records; March 5, 1965 as Instrument No. 3447, of Official Records; September 18, 1957 as Instrument No. 2885 in Book 55636 Page 440, of Official Records;

SCHEDULE B
(continued)

August 6, 1957 as Instrument No. 3336 in Book 55257 Page 188, of Official Records; August 6, 1957 as Instrument No. 3314 in Book 55257 Page 232, of Official Records; August 29, 1957 as Instrument No. 2696 in Book 56473 Page 160, of Official Records; April 15, 1964 as Instrument No. 5467 in Book M1500 Page 318, of Official Records; February 10, 1967 as Instrument No. 1974, of Official Records; May 22, 1961 as Instrument No. 4371 in Book M775 Page 93, of Official Records (By an instrument dated November 3, 1964 executed by Bekins Van & Storage Co., a corporation, to correct the description as set forth in the above mentioned lease recorded January 19, 1965 as Instrument No. 3094 in Book M1738 Page 44, Official Records); July 22, 1964 as Instrument No. 4082 in Book M1577 Page 578, of Official Records; May 16, 1963 as Instrument No. 4832 in Book M1267 Page 559, of Official Records; October 2, 1963 as Instrument No. 5514, of Official Records; March 24, 1965 as Instrument No. 3365 in Book M1810 Page 388, of Official Records and January 29, 1964 as Instrument No. 4306 in Book M1441 Page 619, Official Records; December 1, 1964 as Instrument No. 5204 in Book M1591 Page 374, of Official Records; January 29, 1964 as Instrument No. 4306 in Book M1441 Page 619, of Official Records; September 11, 1957 as Instrument No. 3051 in Book 55566 Page 381, of Official Records; December 5, 1963 as Instrument No. 4957 in Book M1404 Page 76, of Official Records; June 16, 1961 as Instrument No. 5069 in Book M792 Page 347, of Official Records; July 30, 1957 as Instrument No. 4142 in Book 55195 Page 222, of Official Records; August 29, 1963 as Instrument No. 6192 in Book M1337 Page 291, of Official Records; November 4, 1966 as Instrument No. 3017, of Official Records; August 2, 1963 as Instrument No. 4886 in Book M1317 Page 375, of Official Records; August 2, 1963 as Instrument No. 4886 in Book M1317 Page 375, of Official Records; November 10, 1964 as Instrument No. 3339, of Official Records; February 10, 1967 as Instrument No. 1975 in Book M2468 Page 445, of Official Records; April 29, 1965 as Instrument No. 1101 in Book M1846 Page 534, of Official Records; September 11, 1957 as Instrument No. 3055 in Book 55570 Page 270, of Official Records; August 24, 1967 as Instrument No. 2316, of Official Records; September 11, 1957 as Instrument No. 3051 in Book 55566 Page 381, of Official Records; August 2, 1963 as Instrument No. 4886 in Book M1317 Page 375, of Official Records; December 10, 1964 as Instrument No. 5139 in Book M1700 Page 46; June 20, 1963 as Instrument No. 5243 in Book M1289 Page 792, Official Records

Reference is hereby made to said document for full particulars.

Affects that portion of said land lying below a depth of 500 feet from the surface thereof, without the right to enter upon or use any portion of said land lying above said depth.

SCHEDULE B
(continued)

No assurance is made as to the present ownership of the leasehold created by said lease, nor as to other matters affecting the rights or interests of the lessor or lessee in said lease.

2. The fact that the ownership of portions of said land do not include rights of access to or from the freeway abutting said land, such rights having been relinquished by certain documents

Recorded: February 7, 1964 as Instrument No. 4334, of Official Records; April 29, 1958 as Instrument No. 1561, of Official Records; January 22, 1958 as Instrument No. 1557 in Book 56418 Page 214, of Official Records; May 31, 1966 as Instrument No. 2125, of Official Records; October 14, 1957 as Instrument No. 2045 in Book 55833 Page 39, of Official Records; March 19, 1974 as Instrument No. 2064, Official Records; June 27, 1974 as Instrument No. 3718, of Official Records; February 7, 1964 as Instrument No. 4333, of Official Records; June 11, 1964 as Instrument No. 432, of Official Records; April 30, 1964 as Instrument No. 4474, in Book D2454 Page 553, of Official Records

Affects: That portion of said land as described in the document attached hereto.

3. An easement for the purpose shown below and rights incidental thereto as set forth in a document. (No representation is made as to the present ownership of said easement)

In Favor of: State of California
Purpose: ingress and egress
Recorded: February 7, 1964 as Instrument No. 4333 of Official Records
Affects: That portion of said land as described in the document attached hereto.

Affects: Lots 30 and 32, Block 1, Wrights Subdivision

4. An easement for the purpose shown below and rights incidental thereto as set forth in a document. (No representation is made as to the present ownership of said easement)

In Favor of: the City of Los Angeles
Purpose: underground storm drain
Recorded: January 13, 1953 as Instrument No. 2295, of Official Records
Affects: That portion of said land as described in the document attached hereto.

SCHEDULE B
(continued)

5. An easement for the purpose shown below and rights incidental thereto as set forth in a document.
(No representation is made as to the present ownership of said easement)

In Favor of: the City of Los Angeles
Purpose: storm sewer
Recorded: February 7, 1923 in Book 1889 Page 174, of Official Records
Affects: That portion of said land as described in the document attached hereto.

6. An easement for the purpose shown below and rights incidental thereto as set forth in a document.
(No representation is made as to the present ownership of said easement)

In Favor of: Bekins Van & Storage Co., a corporation
Purpose: sewer pipe
Recorded: March 9, 1929 in Book 9120 Page 74, of Official Records
Affects: That portion of said land as described in the document attached hereto.

The exact location and extent of said easement is not disclosed of record.

7. An easement affecting the portion of said land and for the purposes stated herein, and incidental purposes, condemned by final decree.

Purpose: as stated therein
Case No.: 56379
Recorded: August 25, 1910 in Book 4280 Page 64, of Deeds
Affects: That portion of said land as described in the document attached hereto.

8. An easement affecting the portion of said land and for the purposes stated herein, and incidental purposes, condemned by final decree.

Purpose: street
Case No.: 56379
Recorded: August 25, 1910 in Book 4280 Page 64, of Deeds
Affects: That portion of said land as described in the document attached hereto.

Affects: Lots 9 and 11 of the Harvey Tract

SCHEDULE B
(continued)

9. An easement affecting the portion of said land and for the purposes stated herein, and incidental purposes, condemned by final decree.

Purpose: widening of Sixteenth Street
Case No.: 56379
Recorded: August 25, 1910 in Book 4280 Page 64, of Deeds
Affects: That portion of said land as described in the document attached hereto.

Affects: Lots 15 and 17, Block 2, Harvey Tract

10. An easement affecting the portion of said land and for the purposes stated herein, and incidental purposes, condemned by final decree.

Purpose: widening of Sixteenth Street
Case No.: 56379
Recorded: August 25, 1910 in Book 4280 Page 64, of Deeds
Affects: That portion of said land as described in the document attached hereto.

Affects: Lot 19, Block 2 Harvey Tract

11. A permanent easement and right at any time, or from time to time to construct, maintain, operate, replace, remove and renew storm drains, and appurtenant structures, over the entire portion of the public street area proposed to be vacated; also reserving and excepting from said vacation the permanent easement and right-of-way and from time to time, to construct, maintain, operate, replace, remove and renew conduits, cables, wires, poles and other convenient structures, equipment and fixtures for the transportation or distribution of electric energy and incidental purposes over the southwesterly 12 feet of the northeasterly 15 feet and over the southwesterly 15 feet of the public street area purposes to be vacated, including access and the right to keep the property free from inflammable materials and wood growth and otherwise protect the same from all hazards in, upon and over the public street proposed to be vacated as excepted and reserved by the City of Los Angeles in the Ordinance of Intention filed May 13, 1957, Ordinance No. 109406, and as referred to in the Final Ordinance of Vacation, recorded June 24, 1958 as Instrument No. 2842.

12. A document entitled "Joint Exercise of Powers Agreement", dated January 16, 1967 executed by the City of Los Angeles and the County of Los Angeles, subject to all the terms, provisions and conditions therein contained, recorded February 7, 1968 as instrument no. 2508 in Book M2770 Page 340, Official Records.

The terms and provisions set out in that certain document entitled "Amendment No. 3 to Joint Exercise of Powers Agreement between the City of Los Angeles and the County of Los Angeles", recorded March 27, 1998 as Instrument No. 98-501496, Official Records.

SCHEDULE B
(continued)

13. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Purpose: sewer
Recorded: November 4, 1968 as Instrument No. 1428 and 1429, of Official Records
Affects: That portion of said land as described in the document attached hereto.

Affects: Said Lots 12, 13 and 14 of Kughen & Casterline's Subdivision

14. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Purpose: sewer
Recorded: November 12, 1968 as Instrument No. 2423, of Official Records
Affects: That portion of said land as described in the document attached hereto.

Affects: Said Lots 14 and 15 of Kughen & Casterline's Subdivision

15. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Purpose: underground sanitary sewer and storm drains and appurtenant structures
Recorded: June 27, 1968 as Instrument No. 1707, of Official Records
Affects: That portion of said land as described in the document attached hereto.

Affects: Lot 16 Kughen & Casterline's Subdivision

16. Conditions in the final order of condemnation that portion 11Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places and that parcel 11AA is condemned in fee simple to the use of the plaintiff and to the use of the public for public street and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded October 23, 1968 as Instrument No. 2933 In Book D4172 Page 989, Official Records.

Affects: that portion of Lot 8, Block 36, Hancock's Survey as therein described.

SCHEDULE B
(continued)

17. Conditions in the final order of condemnation that portion 12Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places and that parcel 12AA is condemned in fee simple to the use of the plaintiff and to the use of the public for public street and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded April 7, 1969 as Instrument No. 2932 In Book D4330 Page 949, Official Records.

Affects: that portion of Lot 8, Block 36, Hancock's Survey as therein described.

18. Conditions in the final order of condemnation that portion 13Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places and that parcel 13AA is condemned in fee simple to the use of the plaintiff and to the use of the public for public street and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded February 10, 1969 as Instrument No. 2349 In Book D4275 Page 35, Official Records.

Affects: that portion of Lot 8, Block 36, Hancock's survey as therein described.

19. Conditions in the final order of condemnation that portion 29Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places recorded August 26, 1969 as Instrument No. 2690 In Book D4478 Page 309, Official Records

Affects: southeast one-half of Lot 25, Forman's Subdivision and portion of street adjacent to said lot.

20. Conditions in the final order of condemnation that portion 30Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places recorded October 28, 1969 as Instrument No. 2262 In Book M3334 Page 145, Official Records.

Affects: Lot 26, Forman's Subdivision and portion of Eleventh Place adjacent said lot.

SCHEDULE B
(continued)

21. Conditions in the final order of condemnation that portion 32Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places recorded February 17, 1969 as Instrument No. 1906 In Book D4281 Page 159, Official Records

Affects: a portion of Lot 30, Forman's Subdivision of portion of Eleventh Place adjacent as therein described

22. Conditions in the final order of condemnation that portion 33Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places recorded December 16, 1968 as Instrument No. 2363 In Book D4225 Page 507, Official Records

Affects: Lot 31 and a portion of Eleventh Place adjacent as therein described

23. Conditions in the final order of condemnation that portion 42Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places, a certified copy of said decree was recorded June 4, 1969 as Instrument No. 3296 In Book D4281 Page 582, Official Records.

Affects: Lots 40 and 41 of Forman's Subdivision and a portion of Twelfth Place adjacent as therein described

24. Conditions in the final order of condemnation that portion 46Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places a certified copy of said decree was recorded March 13, 1969 as Instrument No. 2265 In Book D4306 Page 449, Official Records.

Affects: the southwesterly 25 feet of Lot 53, Forman's Subdivision

SCHEDULE B
(continued)

25. Conditions in the final order of condemnation that portion 48Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places that parcel 48-aa is condemned in fee simple to the use of the plaintiff and to the use of the public for public street and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded December 31, 1968 as Instrument No. 3722 In Book D4239 Page 145, Official Records.

Affects: Lot 59 and a portion of Lot 60 of Forman's Subdivision as therein described

26. Conditions in the final order of condemnation that portion 50Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places that parcel 50-aa is condemned in fee simple to the use of the plaintiff and to the use of the public for public street and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded June 19, 1968 as Instrument No. 2372 In Book D-4028 Page 742, Official Records.

Affects: a portion of Lot 8, Block 36, Hancock's Survey, as therein described

27. Conditions in the final order of condemnation that portion 51Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places that parcel 51-AA is condemned in fee simple to the use of the plaintiff and to the use of the public for public street and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded June 19, 1968 as Instrument No. 2372 In Book D4038 Page 742, Official Records.

Affects: a portion of Lots 62, 63 and 64 of Forman's Subdivision

28. Conditions in the final order of condemnation that portion 52Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places that parcel 52-AA is condemned in fee simple to the use of the plaintiff and to the use of the public for public street and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded April 7, 1969 as Instrument No. 2936 In Book D4330 Page 975, Official Records.

Affects: portions of Lots 12 and 13 of Kughen and Casterline's Subdivision and a portion of 11th Street adjacent

SCHEDULE B
(continued)

29. Conditions in the final order of condemnation that portion 59Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places, a certified copy of said decree was recorded December 4, 1968 as Instrument No. 2280 In Book D4214 Page 264, Official Records.

Affects: Lot 39, Kincaid's Tract

30. Conditions in the final order of condemnation that portion 64Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places a certified copy of said decree was recorded October 28, 1969 as Instrument No. 2262 In Book M3334 Page 145, Official Records.

Affects: portions of Lots 47 and 49 of Kincaid's Tract

31. Conditions in the final order of condemnation that portion 65Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places and that parcel 65AA is condemned in fee simple to the use of the plaintiff and to the use of the public for public street and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded April 14, 1969 as Instrument No. 2659 In Book D4337 Page 756, Official Records.

Affects: Lots 44 and 45 and portions of 46 and 48 of Kincaid's Tract and a portion of Trenton Street adjacent as therein described

32. Conditions in the final order of condemnation that portion 66Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places a certified copy of said decree was recorded December 12, 1968 as Instrument No. 1956 In Book D4222 Page 669, Official Records.

Affects: Lot 51, Kincaid's Tract

SCHEDULE B
(continued)

33. Conditions in the final order of condemnation that portion 72Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places and that parcel 72AA is condemned in fee simple to the use of the plaintiff and to the use of the public for public street purposes and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded March 28, 1969 as Instrument No. 3337 In Book D4322 Page 447, Official Records.

Affects: Lot 68, Kincaid's Tract and a portion of the alley adjacent.

34. Conditions in the final order of condemnation dated March 7, 1969 that portion 73Z to the use of the public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places and the recital in said condemnation that parcel 73AA, is condemned for public street purposes, a certified copy of said decree was recorded March 24, 1969 as Instrument No. 2310 in Book D4316 Page 473, Official Records and by other decrees of record.

Affects: Lot 69, Kincaid's Tract and a portion of the alley purposes

35. Conditions in the final order of condemnation that portion 129Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places and that parcel 129AA is condemned in vehicle parking places and that parcel 129AA is condemned in fee simple to the use of the plaintiff and to the use of public street purposes and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded March 27, 1969 as Instrument No. 3077 in Book D4320 Page 814, Official Records.

Affects: Lots 27 and 29, Kincaid's Tract

36. Conditions in the final order of condemnation that portion 135Z is condemned in fee simple, to the use of the plaintiff, and to the use of the public for public buildings and grounds for the construction and maintenance of convention and exhibition hall, trade and industrial center, auditorium and related facilities for public assembly, including off-street motor vehicle parking places and that parcel 129AA is condemned in vehicle parking places and that parcel 135AA is condemned in fee simple to the use of the plaintiff and to the use of public for public street purposes and incidental purposes of the City of Los Angeles, a certified copy of said decree was recorded April 18, 1969 as Instrument No. 3231 in Book D4343 Page 658, Official Records.

Affects: the Firestone Tract

SCHEDULE B
(continued)

39. Conditions in the final order of condemnation in favor of the City of Los Angeles, that parcel 115AA and 116AA are condemned in fee for public street purposes, together with right to remove, construct and maintain said public street in accordance with, to the grades, in the manner, and with the limits designated and shown on plans and profiles nos. P-25903, P-25904, P-25905, P-25906, D-21734 and D-21735 on file in the office of the city engineer of the City of Los Angeles and that parcel 115-R and 116-R are condemned in fee simple, to the use of the City of Los Angeles, and to the use of the public for the establishment and maintenance of reservations, in, about, along the leading to said public street for the purpose of acquiring and removing buildings and/or structures thereon, and for the purpose of providing a working and construction area needed to complete the public works, and in order to protect said public works and improvements and their works, and in order to protect said public works and improvements and their environs and usefulness, and any portions thereof not needed after completion of said public improvements may be sole with reservations concerning the future use and occupation of such real property including joinder with other contiguous real properties so as to protect such public works and improvements and their environs and to preserve the view, appearance, light, air and usefulness of said public works.

A certified copy of said decree was recorded January 23, 1970 as Instrument No. 2758 in Book D4615 Page 229, Official Records.

40. The fact that said land is included within the Central Business District, City of Los Angeles Redevelopment Project Area, and that proceedings for redevelopment have been instituted.

Recorded: July 22, 1975 as Instrument No. 3675, of Official Records and re-recorded July 30, 1975 as Instrument No. 3868, Official Records

A Revised Statement regarding property located in said project area was recorded November 30, 2007 as Instrument No. 20072636434, of Official Records.

41. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the recorded map shown below:

Map of: Tract No. 28165
Purpose: drainage
Affects: That portion of said land as shown on said map.

42. A covenant and agreement upon and subject to the terms and conditions therein

Recorded: December 22, 1980 as Instrument No. 80-1283907, of Official Records

Reference is hereby made to said document for full particulars.

Affects: Lots 2, 3, 4 and 6 of Tract No. 28165

This covenant and agreement shall run with the land and shall be binding upon any future owners, encumbrances, their successors, heirs or assigns and shall continue in effect until the proper government agency approves its termination.

SCHEDULE B
(continued)

43. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Purpose: sanitary sewer, storm drain and electrical facilities
Recorded: June 5, 1990 as Instrument No. 90-1003283, of Official Records
Affects: That portion of said land as described in the document attached hereto.

Affects: that portion of Trenton Street and Tehran Street between Figueroa Street and Pico Boulevard, as reserved in resolution to vacate, No. 83-10558 of the City of Los Angeles, on file in the office of the city clerk of said city

44. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Purpose: storm drain and sanitary sewer facilities
Recorded: August 16, 1990 as Instrument No. 90-1426183, of Official Records
Affects: That portion of said land as described in the document attached hereto.

Affects: that portion of Nagoya Street and Trenton Street, as reserved in Resolution to Vacate, No. 90-01558 of the City of Los Angeles, on file in the office of the City Clerk of said City

45. Covenants, conditions and restrictions (but omitting any covenant or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law) as set forth in the document

Recorded: July 17, 1989 as Instrument No. 89-1130460, of Official Records

Note: Section 12956.1 of the government code provides the following: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

Said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.

SCHEDULE B
(continued)

49. An easement for the purpose shown below and rights incidental thereto as set forth in a document.
- Purpose: water distribution facilities
Recorded: April 9, 1992 as Instrument No. 92-625889, of Official Records
Affects: That portion of said land as described in the document attached hereto.
50. A document subject to all the terms, provisions and conditions therein contained.
- Entitled: Reciprocal Easement and Environmental Restriction Agreement
Recorded: March 27, 1998 as Instrument No. 98-501502, of Official Records
- Modification(s) of the terms and provisions of said document as therein provided.
- Recorded: December 1, 2005 as Instrument No. 05-2934860, of Official Records
- Modification(s) of the terms and provisions of said document as therein provided.
- Recorded: December 1, 2005 as Instrument No. 05-2934859, of Official Records
51. A Certificate of Compliance for Lot-Line Adjustment, City of Los Angeles Department of City Planning, recorded March 27, 1998 as Instrument No. 98-501497, Official Records.
- Affects: Parcel A and other property
52. A document subject to all the terms, provisions and conditions therein contained.
- Entitled: Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement
Recorded: March 11, 1999 as Instrument No. 99-407374, of Official Records
53. A document subject to all the terms, provisions and conditions therein contained.
- Entitled: Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement
Recorded: June 25, 1999 as Instrument No. 99-1170360, of Official Records
54. A document subject to all the terms, provisions and conditions therein contained.
- Entitled: Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement
Recorded: August 18, 1999 as Instrument No. 99-1556707, of Official Records

SCHEDULE B
(continued)

55. A document subject to all the terms, provisions and conditions therein contained.
- Entitled: Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement
- Recorded: October 15, 1999 as Instrument No. 99-1951132, of Official Records
56. A document subject to all the terms, provisions and conditions therein contained.
- Entitled: Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement
- Recorded: February 15, 2000 as Instrument No. 00-227349, of Official Records
57. A document subject to all the terms, provisions and conditions therein contained.
- Entitled: Master Covenant and Agreement
- Recorded: June 1, 2000 as Instrument No. 00-848479, of Official Records
58. A document subject to all the terms, provisions and conditions therein contained.
- Entitled: Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement
- Recorded: June 28, 2002 as Instrument No. 02-1467623, of Official Records
59. The terms and provisions of that certain Trust Agreement dated as of January 1, 1989 by and between U.S. Bank National Association (successor to Bank of America National Trust and Savings Association) and the Los Angeles Convention and Exhibition Center Authority, as supplemented by (I) that certain First Supplemental Trust Agreement dated as of August 1, 1990, and (II) that certain Second Supplemental Trust Agreement dated as of August 15, 1993, by and among the City of Los Angeles, the Los Angeles Convention and Exhibition Center Authority, and U.S. Bank National Association (successor to Bank of America National Trust and Savings Association) and (III) that certain Third Supplemental Trust Agreement dated as of September __, 2008, by and among the City of Los Angeles, the Los Angeles Convention and Exhibition Center Authority, and U.S. Bank National Association (successor to Bank of America National Trust and Savings Association).

SCHEDULE B
(continued)

60. An unrecorded lease with certain terms, covenants, conditions and provisions as set forth therein as disclosed by a document.

Dated: November 10, 2005
Lessor: The City of Los Angeles, a municipal corporation
Lessee: L.A. Arena Land Company, a Delaware corporation
Disclosed By Memorandum of Lease
Recorded: November 21, 2005 as Instrument No. 05-2833324, of Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

Affects: Parcel 1

61. The sub-leasehold estate created by that certain Fifth Amended and Restated Convention and Exhibition Center II Lease dated as of October 1, 2008 by and between the City of Los Angeles and the Los Angeles Convention and Exhibition Center Authority, which lease was recorded in the Official Records of Los Angeles County on October 15, 2008, as Instrument No. 08-1834754 as assigned pursuant to the terms of that certain Third Amendment to Amended and Restated Assignment Agreement dated as of October 1, 2008, by and between the Los Angeles Convention and Exhibition Center Authority and U.S. Bank National Association recorded October 1, 2008 as Instrument No. 08-1834755, Official Records.

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

Affects: Parcels A, B and C

62. A covenant and agreement upon and subject to the terms and conditions therein

Recorded: September 8, 2010 as Instrument No. 20101261237, of Official Records

Reference is hereby made to said document for full particulars.

This covenant and agreement shall run with the land and shall be binding upon any future owners, encumbrances, their successors, heirs or assigns and shall continue in effect until the proper government agency approves its termination.

SCHEDULE B
(continued)

THE FOLLOWING MATTERS AFFECT PARCEL D:

63. The effect of a unit agreement for the Los Angeles Downtown Field to promote the conservation and increase the ultimate recovery of oil, gas and associated hydrocarbon substances, to effect primary and secondary recovery, pressure maintenance and other operations as hereinafter provided and upon the terms and covenants therein set forth, executed by Standard Oil Company of California, a corporation and Atlantic Richfield Company, recorded November 23, 1966 as Instrument No. 2785, Official Records.

A document entitled "Ratification and Joinder Unit Agreement for the Los Angeles Downtown Field Los Angeles County, California", dated January 17, 1967 executed by Ruth Dockweiler Brady; Julia Stearns Dockweiler; John Eldredge Stearns Dockweiler; Henry I. Dockweiler; George A. Dockweiler; Edward V. Dockweiler, also known as Edward Vincent Dockweiler; S. Eriksen Dockweiler; Frederick C. Dockweiler; Mary Dockweiler Young also known as Mary Dockweiler Sooy and Rosario Dockweiler Crahan, subject to all the terms, provisions and conditions therein contained, recorded February 27, 1967 as Instrument No. 3214, Official Records.

Said unit agreement and various recorded oil and gas leases under said unit agreement affect only that portion of said land lying below a depth of 500 feet, without the right of surface entry.

64. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Purpose: underground sanitary sewer and storm drains and appurtenant structures
Recorded: June 27, 1968 as Instrument No. 1707 of Official Records
Affects: That portion of said land as described in the document attached hereto.

Reference is hereby made to said document for full particulars.

65. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Granted to: The City of Los Angeles (a municipal corporation of the State of California)
Purpose: the construction, reconstruction, inspection, maintenance, operation and repair of underground sanitary sewer and storm drain and appurtenant structures
Recorded: November 4, 1968 as Instrument No. 1428, of Official Records
Affects: That portion of said land as described in the document attached hereto.

Reference is hereby made to said document for full particulars.

SCHEDULE B
(continued)

66. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Granted to: The City of Los Angeles, (a municipal corporation of the State of California)
Purpose: a permanent easement and right of way for the construction, reconstruction, inspection, maintenance, operation and repair of underground sanitary sewer and storm drain and appurtenant structures
Recorded: November 4, 1968 as Instrument No. 1429, of Official Records
Affects: That portion of said land as described in the document attached hereto.

Reference is hereby made to said document for full particulars.

67. An easement for the purpose shown below and rights incidental thereto as set forth in a document.

Granted to: The City of Los Angeles, (a municipal corporation of the State of California)
Purpose: a permanent easement and right of way for the construction, reconstruction, inspection, maintenance, operation and repair of underground sanitary sewer and storm drain and appurtenant structures
Recorded: November 12, 1968 as Instrument No. 2423, of Official Records
Affects: That portion of said land as described in the document attached hereto.

Reference is hereby made to said document for full particulars.

68. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the recorded map shown below:

Map of: Tract No. 28165
Purpose: drainage
Affects: That portion of said land as shown on said map.

Affects: Parcel 1

69. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the recorded map shown below:

Map of: Tract No. 28165
Purpose: storm drain and sanitary sewer easements
Affects: That portion of said land as shown on said map.

Affects: Parcel 1

SCHEDULE B
(continued)

70. A Certificate of Correction for Tract No. 28165, recorded June 30, 1972 as Instrument No. 8078, Official Records.

Reference is hereby made to said document for full particulars.

71. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;

Purpose: storm drain and sanitary sewer facilities
Recorded: August 16, 1990 as Instrument No. 90-1426183, of Official Records
Affects: That portion of said land as described in the document attached hereto.

Affects: That portion of Nagoya Street and Trenton Street vacated by said instrument.

72. A license agreement executed on June 30, 1990, by and between the City of Los Angeles and Ogden Allied Leisure Services, Inc., a corporation, and as amended, as disclosed by inspection and investigation.

73. A covenant and agreement upon and subject to the terms and conditions therein

Recorded: March 27, 1998 as Instrument No. 98-501501, of Official Records

Reference is hereby made to said document for full particulars.

74. A document entitled "Reciprocal Easement and Environmental Restriction Agreement", dated March 26, 1998 executed by City of Los Angeles, the Community Redevelopment Agency of the City of Los Angeles and L.A. Arena Land Company, Inc., subject to all the terms, provisions and conditions therein contained, recorded March 27, 1998 as Instrument No. 98-501502, Official Records.

The terms and provisions of that certain First Amendment to Reciprocal Easement and Environmental Restriction Agreement recorded December 1, 2005 as Instrument No. 05-2934860, of Official Records.

The terms and provisions of that certain Second Amendment to Reciprocal Easement and Environmental Restriction Agreement recorded December 1, 2005 as Instrument No. 05-2934859, of Official Records.

75. A document entitled "Development Agreement", dated March 26, 1998 executed by the City of Los Angeles and L.A. Arena Land Company, LLC, subject to all the terms, provision(s) and conditions therein contained, recorded March 27, 1998 as Instrument No. 98-501503, Official Records.

SCHEDULE B
(continued)

76. A document entitled "Memorandum of Disposition and Development Agreement", dated March 26, 1998 executed by the City of Los Angeles, the Community Redevelopment Agency of the City of Los Angeles and L.A. Arena Land Company, Inc., subject to all the terms, provision(s) and conditions therein contained, recorded March 27, 1998 as Instrument No. 98-501504, Official Records.
77. An unrecorded lease with certain terms, covenants, conditions and provisions as set forth therein as disclosed by a document.

Lessor: The City of Los Angeles, a municipal corporation
Lessee: L.A. Arena Land Company, Inc., a Delaware corporation
Disclosed By Memorandum of Lease
Recorded: March 27, 1998 as Instrument No. 98-501505, of Official Records

A document entitled "Non-disturbance and Attornment Agreement", dated April 27, 1999 executed by L.A. Arena Land Company, Inc., a Delaware corporation; the Los Angeles Lakers, Inc., a California corporation and Fleet National Bank, a national banking association, subject to all the terms, provisions and conditions therein contained, recorded April 27, 1999 as Instrument No. 99-743959, Official Records.

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

78. An unrecorded lease with certain terms, covenants, conditions and provisions as set forth therein as disclosed by a document.

Lessor: L.A. Arena Land Company
Lessee: L.A. Arena Company, LLC, a Delaware limited liability company
Disclosed By Memorandum of Sublease
Recorded: March 27, 1998 as Instrument No. 98-501506, of Official Records

A document entitled "Assignment and Quitclaim Deed", dated April 27, 1999 executed by L.A. Arena Company, LLC, a Delaware limited liability company and L.A. Arena Funding, LLC, a Delaware limited liability company, subject to all the terms, provisions and conditions therein contained, recorded April 27, 1999 as Instrument No. 99-743952, Official Records.

An unrecorded First Amendment to Arena Ground Sublease, dated April 27, 1999, by and between L.A. Arena Land Company, Inc., a Delaware corporation and L.A. Arena Funding, LLC, a Delaware limited liability company, as disclosed in an instrument recorded April 27, 1999 as Instrument No. 99-743959, Official Records.

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

SCHEDULE B
(continued)

79. The terms, conditions and provisions of that certain waiver of damages, indemnification agreement, and right of ingress and egress to run with the land,

Recorded: January 13, 1999 as Instrument No. 99-54028, of Official Records

80. Those rights to occupy and use said land as contained in that certain unrecorded Lakers Venue Contract dated as of June 14, 1996, amended May 4, 1998, October 30, 1998, (as so amended, and as further amended from time to time), executed by and between L.A. Arena Funding, LLC, a Delaware limited liability company, The Los Angeles Lakers Inc., a California corporation, and California Forum, a California limited partnership, upon the terms, conditions, provisions and obligations therein set forth as disclosed in a Memorandum of Lakers Venue Contract recorded April 27, 1999 as Instrument No. 99-743953, Official Records

Said interest is subject to the following:

A Deed of Trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: \$60,000,000.00
Dated: April 27, 1999
Trustor: The Los Angeles Lakers, Inc., a California corporation
Trustee: Chicago Title Company, a California corporation
Beneficiary: Fleet National Bank, a national banking association
Loan No.: Not shown
Recorded: April 27, 1999 as Instrument No. 99-743954 of Official Records.

An agreement to modify the terms and provisions of said deed of trust as therein provided.

Recorded: April 14, 2003 as Instrument No. 03-1044181, of Official Records

An agreement to modify the terms and provisions of said deed of trust as therein provided.

Recorded: June 26, 2007 as Instrument No. 20071528526, of Official Records

An agreement to modify the terms and provisions of said deed of trust as therein provided.

Recorded: May 18, 2011 as Instrument No. 2011-699041, of Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

SCHEDULE B
(continued)

81. A document entitled "Amended and Restated Team Lender Consent and Recognition Agreement", dated April 27, 1999 executed by L.A. Arena Funding, LLC, a Delaware limited liability company, L.A. Arena Company, LLC, a Delaware limited liability company, Fleet National Bank, The Los Angeles Lakers, Inc., a California corporation and California Forum, a California limited partnership, subject to all the terms, provisions and conditions therein contained, recorded April 27, 1999 as Instrument No. 99-743955, Official Records.

A document entitled "Assignment of Team Lender Consent and Recognition Agreement", dated April 27, 1999 executed by Bankers Trust Company, Fleet National Bank, L.A. Arena Funding, LLC, a Delaware limited liability company, the Los Angeles Lakers, Inc., a California corporation and California Forum, a California limited partnership, subject to all the terms, provisions and conditions therein contained, recorded April 27, 1999 as Instrument No. 99-743956, Official Records.

82. A document entitled "Indenture Trustee Consent and Recognition Agreement", dated April 27, 1999 executed by the Los Angeles Lakers, Inc., California Forum, a California limited partnership, L.A. Arena Funding, LLC, a Delaware limited liability company and Bankers Trust Company, a New York banking corporation, subject to all the terms, provisions and conditions therein contained, recorded April 27, 1999 as Instrument No. 99-743957, Official Records.

A document entitled "Assignment of Indenture Trustee Consent and Recognition Agreement", dated April 27, 1999 executed by Bankers Trust Company, Fleet National Bank, L.A. Arena Funding, LLC, a Delaware limited liability company, the Los Angeles Lakers, Inc., a California corporation and California Forum, a California limited partnership, subject to all the terms, provisions and conditions therein contained, recorded April 27, 1999 as Instrument No. 99-743958, Official Records.

83. A document entitled "Non-Disturbance and Attornment Agreement", dated April 27, 1999 executed by L.A. Arena Land Company, Inc., a Delaware corporation, the Los Angeles Lakers, Inc., a California corporation and Fleet National Bank, a national banking association, subject to all the terms, provisions and conditions therein contained, recorded April 27, 1999 as Instrument No. 99-743959, Official Records.

84. The terms, conditions and provisions of that certain waiver of damages, indemnification agreement, and right of ingress and egress to run with the land,

Recorded: June 21, 1999 as Instrument No. 99-1131767, of Official Records

SCHEDULE B
(continued)

85. A document entitled "Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement", dated June 23, 1999 executed by the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic, subject to all the terms, provisions and conditions therein contained, recorded June 25, 1999 as Instrument No. 99-1170360, Official Records.
86. A document entitled "Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement", dated July 29, 1999 executed by the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic, subject to all the terms, provisions and conditions therein contained, recorded August 18, 1999 as Instrument No. 99-1556707, Official Records.
87. A document entitled "Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement", dated October 14, 1999 executed by the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic, subject to all the terms, provisions and conditions therein contained, recorded October 15, 1999 as Instrument No. 99-1951132, Official Records.
88. A document entitled "Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement", dated January 31, 2000 executed by the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic, subject to all the terms, provisions and conditions therein contained, recorded February 15, 2000 as Instrument No. 00-227349, Official Records.
89. A covenant and agreement upon and subject to the terms and conditions therein

Recorded: June 1, 2000 as Instrument No. 00-848479, of Official Records

Reference is hereby made to said document for full particulars.

This covenant and agreement shall run with the land and shall be binding upon any future owners, encumbrances, their successors, heirs or assigns and shall continue in effect until the proper government agency approves its termination.

90. A document entitled "Agency Declaration of Covenant and Memorandum of Disposition and Development Agreement and Reciprocal Easement and Environmental Restriction Agreement", dated May 22, 2002 executed by the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic, subject to all the terms, provisions and conditions therein contained, recorded June 28, 2002 as Instrument No. 02-1467623, Official Records.

THE FOLLOWING MATTERS AFFECT PARCEL E:

91. An easement in favor of the general public for public street purposes, over all of the land described in Parcel E of Schedule A.

SCHEDULE B
(continued)

92. A document entitled "Resolution to Vacate No. 89-21612 (California Streets and Highways Code Sections 8324 and 8325)", dated May 23, 1989 executed by City Clerk of City of Los Angeles, subject to all the terms, provision(s) and conditions therein contained, recorded June 1, 1989 as Instrument No. 89-884247 of Official Records.

THE FOLLOWING MATTERS AFFECT PARCEL F:

93. An easement in favor of the general public for public street purposes, over all of the land described in Parcel F of Schedule A.

THE FOLLOWING MATTERS AFFECT PARCEL G:

94. An easement in favor of the general public for public street purposes, over all of the land described in Parcel F of Schedule A.

THE FOLLOWING MATTERS AFFECT PARCEL I:

95. An easement in favor of the general public for public street purposes, over all of the land described in Parcel E of Schedule A.

THE FOLLOWING MATTERS AFFECT ALL OF SAID LAND:

96. Water rights, claims or title to water, whether or not disclosed by the public records.
97. Matters which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of said land that is satisfactory to this Company, and/or by inquiry of the parties in possession thereof.

This office must be notified at least 7 business days prior to the scheduled closing in order to arrange for an inspection of the land; upon completion of this inspection you will be notified of the removal of specific coverage exceptions and/or additional exceptions to coverage.

98. Any rights of parties in possession of said land, based on any unrecorded lease, or leases.

This Company will require a full copy of any unrecorded lease, together with all supplements, assignments, and amendments for review.

END OF SCHEDULE B

INFORMATIONAL NOTES

Note No. 1: Section 12413.1, California Insurance Code became effective January 1, 1990. This legislation regulates the disbursement of funds deposited with any title entity acting in an escrow or sub-escrow capacity. The law requires that all funds be deposited and collected by the title entity's escrow and/or sub-escrow account prior to disbursement of any funds. Some methods of funding may be subject to a holding period, which must expire before any funds may be disbursed. In order to avoid any such delays, all funding should be done via wire transfer. Funds deposited with the Company via wire transfer may be disbursed upon receipt. Funds deposited by cashiers checks, certified checks, and teller's checks is one business day after the day deposited. Other checks may require hold periods from two to five business days after the day deposited, and may delay your closing. The Company may receive benefits from such banks based upon the balances in such accounts. Such benefits will be retained by the Company as part of its compensation for handling such funds.

Note No. 2: The charge where an order is cancelled after the issuance of the report of title, will be that amount which in the opinion of the Company is proper compensation for the services rendered or the purpose for which the report is used, but in no event shall said charge be less than the minimum amount required under Section 12404.1 of the Insurance Code of the State of California. If the report cannot be cancelled "no fee" pursuant to the provisions of said Insurance Code, then the minimum cancellation fee shall be that permitted by law.

Note No. 3: California Revenue and Taxation Code Section 18668, effective January 1, 1991, requires that the buyer in all sales of California Real Estate, withhold 3-1/3% of the total sales price as California State Income Tax, subject to the various provisions of the law as therein contained, and as amended.

Note No. 4: Wire Transfers

In the event your transaction is being escrowed by a Chicago Title office, contact should be made with the office to obtain correct wiring instructions. Failure to do so could result in a delay in the receipt of funds and subsequent closing of your transaction.

Chicago Title will disburse by wire-out only collected funds or funds received by confirmed wire-in.

The Company's wire-in instructions are:

Bank:	Bank of America 275 Valencia Blvd, 2nd Floor Brea, CA 92823
Bank ABA No.:	0260-0959-3
Account Name:	Chicago Title Company, Broadway Plaza Office
Account No.:	12351-50737
For Credit To:	Chicago Title Company 700 South Flower, Suite 800 Los Angeles, CA 90017
Order No.:	116743050F-X49

INFORMATIONAL NOTES
(continued)

LENDER NOTE: On the DATE you fund the Loan and WIRE Funds to Chicago Title and reference the above Order Number, you must send written NOTICE to the Title Officer's Unit by messenger or E-Mail that you sent the Funds.

Chicago Title will send an E-Mail acknowledging receipt of the funds as soon as practicable.

Chicago Title will **NOT** be responsible for any delay in Closing and Recording the transaction, nor will Chicago Title be liable for any claim of lost Interest unless such written Notice is sent the day of Funding and Chicago Title has acknowledged receipt of funds.

Note No. 5: Your application for title insurance was placed by reference to a street address or assessor's parcel number. Based upon our records, we believe that the description in this report covers the parcel that you requested.

To prevent errors, we require written confirmation that the legal description contained herein covers the parcel that you requested.

Note No. 6: The plat, (map), which is attached to this report, is to assist you in locating land with reference to streets and other parcels. While this plat is believed to be correct, the Company assumes no liability for any loss occurring by reason of reliance thereon.

Note No. 7: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.

Note No. 8: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the amount, if any, set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.

Note No. 9: This report covers the fee estate or interest in and to the parcel of land described in Schedule A above. When the lease is duly executed and a memorandum thereof is recorded, our Policy, when issued, will cover the leasehold estate created by the lease.

To enable this Company to issue its Leasehold Policy of Title Insurance, kindly submit for examination, an executed copy of the lease, including any supplements or amendments thereto.

INFORMATIONAL NOTES
(continued)

Note No. 10: Important notice regarding documents to be recorded in the Los Angeles County. Please review the following CRITICAL MESSAGE from the Los Angeles County Recorder's Office as it will likely impact your closing:

SUBJECT: ACCEPTANCE OF NOTARY ACKNOWLEDGEMENTS

Effective May 1, 2008, the Los Angeles Registrar-Recorder/County Clerk's Office will work diligently to be more efficient in examining notary acknowledgements as our part in minimizing notary fraud. In our efforts, we will strictly adhere to the following requirements for accepting Notary Acknowledgments/Certificates:

- Notaries must comply with the requirements set forth by the state where the oath is administered.
- Notary Acknowledgments/Certificates may not contain white-out, corrective tape, arrows and/or asterisks.
- Notary Acknowledgments/Certificates completed by a California Notary that are destined for recording in the County of Los Angeles must be presented exactly in the form prescribed by Civil Code Section 1189(a)(1).

A Notary Acknowledgment/Certificate that does not meet existing state requirements in addition to the requirements set forth above may not be re-submitted after it has been rejected by the Recorder. A new Notary Acknowledgment/Certificate will be required when re-submitting a rejected document.

If you have any questions, please contact the Registrar-Recorder/County Clerk at (562) 462-2125.

INFORMATIONAL NOTES
(continued)

ATTACHMENT ONE

PRIVACY STATEMENT

IMPORTANT INFORMATION:

For those of you receiving this report by electronic delivery the Privacy Statement and Attachment One are linked to this report. Please review this information by selecting the link. For those of you who are receiving a hard copy of this report, a copy of this information has been submitted for your review.

APPRAISER QUALIFICATIONS

MARK D. BRUSCA

APPRAISAL EXPERIENCE

Entered the real estate field in 2004 and began working as a junior appraiser with Riggs and Riggs, Inc., an appraisal and consulting company. Services rendered involved appraisal report preparation for residential, commercial and other income-producing properties for institutional and acquisition purposes, and partial take valuation, including determination of severance damages and/or benefits for public projects.

CURRENT EMPLOYMENT

Junior appraiser with RIGGS & RIGGS, INC., Real Estate Appraisers and Consultants, located at:

4195 Valley Fair Street, Suite 207
Simi Valley, California 93063

EDUCATION

University of California, Los Angeles; Bachelor of Arts Degree in Political Science

Areas of Study at University of California, Los Angeles:

- Foreign Relations
- Soviet Studies
- Economics
- Psychology

Moorpark College; Associate of Science Degree in Computer Network Systems Engineering

Areas of Study at Moorpark College:

- Computer Hardware
- HTML Programming
- Networking

Areas of Study at the Appraisal Institute:

- Appraisal Procedures, Course 110
- Appraisal Procedures, Course 120
- Basic Income Capitalization, Course 310
- General Applications, Course 320
- Advanced Income Capitalization, Course 510
- Highest & Best Use and Market Analysis, Course 520
- Advanced Sales Comparison and Cost Approaches, Course 530
- Advanced Applications, Course 550
- National Uniform Standards of Professional Appraisal Practice (USPAP) Course, 15-Hour

Areas of Study at the International Right-Of-Way Association:

- Partial Acquisition, Course 401
- Engineering Plan Development and Application, Course 901
- Principles of Real Estate Negotiations, Course 200
- Standards of Practice for the Right of Way Professional, Course 104
- Alternative Dispute Resolution, Course 203
- Eminent Domain Law Basics for Right-of-Way Professionals, Course 803
- Easement Valuation, Course 403
- Principles of Land Acquisition, Course 100

Areas of Study at California State University, Northridge:

- Appraisal Report Writing

GENERAL BACKGROUND

Employed as an insurance investigator from 1992 through 2002. Became a licensed private investigator in 2000. Skills included interviews, formal statements, research, analysis and narrative report preparation.

PROFESSIONAL AFFILIATIONS, LICENSES & CERTIFICATION

State of California General Real Estate Appraiser, Certificate No. AG036814
Associate Member of the Appraisal Institute No. 455039, January 2004
Member of the International Right of Way Association No. 7889036, 2005
A+ Certified Computer Technician, December 2001
Licensed Private Investigator, November 2000

APPRAISAL QUALIFICATIONS
JOYCE L. RIGGS, MAI, SR/WA

APPRAISAL EXPERIENCE

Entered the appraisal profession in **1988** as an appraisal assistant with B.G.R. Appraisals in Simi Valley, California. Services rendered involved appraisal report preparation for a variety of property types including: commercial/retail and office; industrial; bulk acreage; and multi-family residential.

In **1991**, I accepted a position as a Real Estate Representative for The Metropolitan Water District of Southern California ("MWDSC"). Services rendered involved appraisal report preparation, review, mass appraisal cost studies for budget purposes, and evaluation of full and partial takings of property for capital projects and surplus portfolio properties; coordination between Legal, Right-of-Way, Engineering, Planning, and Environmental Divisions relative to appraisal issues as appraisal project manager of the Diamond Valley Reservoir Project, a capital project.

From **1993** to **2001**, I was associated with the appraisal firm of Mason & Mason in Montrose, California. Services rendered involved appraisal review, and full and partial take appraisal report preparation of retail, office, industrial, agricultural, and residential uses, including determination of severance damages and/or benefits for condemnation acquisitions, redevelopment acquisitions, property tax appeals, deficiency judgments, financial decisions, and planning purposes throughout Southern California.

Since **2001**, I joined Riggs & Riggs, Inc., an appraisal and consulting firm in Simi Valley, California, and serve as Vice President of the corporation. Services rendered include expert witness testimony, appraisal review, appraisal report preparation for full and partial take of fee, permanent easement, or temporary easement right of way assignments, and appraisal report preparation for private and lending assignments. Property types include retail, office, industrial, agricultural, mobile home parks, and residential uses, including determination of severance damages and/or benefits for condemnation acquisitions, redevelopment acquisitions, property tax appeals, deficiency judgments, financial decisions, and planning purposes. Appraisal assignments have been undertaken in the Los Angeles, Ventura, Orange, Riverside, San Bernardino San Diego, and Santa Barbara County regions.

Experience includes completion or major contributions to the following:

- Litigation appraisals for the widening and realignment of Lewis Road and U.S. Highway 101, Highway 395 and Phelan Road, and realignment and widening projects along the 405, 210, 5, 10, 215, 91/215/60, and 134 Freeways in Los Angeles, San Bernardino, Ventura, Orange, and Riverside Counties, 1995 to present
- Consulting Valuation Cost Study prepared for budgeting purposes relative to the projects in Orange and Riverside Counties for The Metropolitan Water District, 2006, Riverside County Flood Control & Water Conservation District in 2008 and 2009, and a Grade Separation Project for OCTA and HDR Pharos, 2008
- Market Rental Study on Port-Oriented Property in Los Angeles Harbor area, for Southern California Edison, Los Angeles County, 2007
- Appraisal of Partial Acquisition and Disposition of Fee and Easement Interests in port-related properties for the Port of Long Beach, Los Angeles County, 2004 and 2006
- Appraisals of partial fee, permanent, and temporary construction easement acquisitions for Murrieta Creek Project Phases 1 and 2, and Eagle Canyon Dam, for Riverside County Flood Control and Water Conservation District, Temecula, Palm Springs, and Cathedral City, 2002 to present
- Appraisals of partial fee, easement, and temporary construction easement acquisitions along Interstate 10 for interchange projects, for the County of Riverside and City of Palm Springs, Riverside County, 2007 to 2009
- Appraisals of partial fee, easement, and temporary construction easement acquisitions for the widening of Flower Street, Glendale, 2005
- Appraisals of partial fee, easement, and temporary construction easement acquisitions for the widening of Van Buren Boulevard, Riverside, 2004-2005
- Appraisals of partial fee, easement, and temporary construction easement acquisitions for Kanan Road/ U.S. Highway 101 Interchange Project, Agoura Hills, 2004
- Appraisals of partial fee and temporary construction easement acquisitions for the Alameda Corridor East, San Gabriel Valley, Los Angeles County, 2001 to present

- Litigation appraisals for inverse condemnation cases proximate to Ontario Airport, Santa Monica Airport, and 210 Freeway extension through San Bernardino County, to determine diminution in value freeway effects, if any, in 2006-present, and airport noise and vibrations, in the City of Ontario, San Bernardino County, 1993 to 1997 and in the West Los Angeles, 2000 to 2001
- Appraisals of partial fee and temporary construction easement acquisitions for the Pasadena Gold Line, Cities of Pasadena and South Pasadena, Los Angeles County, 1999-2001, 2004-2005

The following is a partial list of government agencies, attorneys, and private clients:

Adorno, Yoss, Alvarado & Smith	Luce, Forward, Hamilton & Scripps, LLC
Best, Best & Krieger	Metropolitan Water District of So. California
California Department of Transportation	Metrolink
City of Agoura Hills	McCormick, Kidman & Behrens
City of Loma Linda	Mullen & Henzel
City of Los Angeles - General Services	Murphy & Evertz
City of Los Angeles - CRA	Nevers, Palazzo, Maddux & Packard, PLC
City of Los Angeles - Department of Airports	Nossaman, Guthner, Knox & Elliott, LLP
City of Palm Springs	Orange County Transportation Authority
City of Pasadena	Port of Long Beach
City of Riverside	Paragon Partners, Ltd.
City of Santa Clarita	Richards, Watson & Gershon
County of Orange	Riverside County Flood Control & Water Conservation District
County of Riverside	Riverside County Transportation Commission
County of San Bernardino	Santa Barbara Bank & Trust
County of Ventura	Sempra Energy
Demetriou, Del Guercio, Springer & Francis	Southern California Edison
Epic Land Solutions, Inc.	State of California, Department of Justice
Glendale Community College	Stradling, Yocca, Carlson, & Rauth
HDR Pharos	University of California, Riverside
Los Angeles County Metropolitan Transportation Commission (MTA)	Wells Fargo Bank
Los Angeles Unified School District	Western Municipal Water District
	United States Army Corps of Engineers
	Yaspan & Thau

PROFESSIONAL AFFILIATIONS, ACTIVITIES, TRAINING & CERTIFICATION

Elected to MAI membership in the Appraisal Institute, October 1995, Member No. 10852; certified through 2010, under Appraisal Institute's Voluntary Continuing Educational Program
 Certified General Real Estate Appraiser, State of California; recertified to April 7, 2013, No. AG005451
 Senior Right of Way Member, International Right of Way Association, Member No. 4495; certified through 2014
 Qualified as an expert witness in Ventura, Los Angeles, Orange, San Bernardino, and Riverside Superior Courts

SPECIALIZED APPRAISAL COURSES

Appraisal Institute Courses

- Real Estate Appraisal Principles
- Basic Valuation Procedures
- Capitalization Theory and Techniques Part A
- Capitalization Theory and Techniques Part B
- 7 Hour USPAP Update
- Report Writing and Valuation Analysis
- Advanced Applications
- OREA Update Workshop
- Business Practices & Ethics

International Right of Way Association

- Principles of Real Estate Acquisition Engineering, Course 101
- Bargaining Negotiations, Course 205
- Presentation Skills, Course 206
- Appraisal of Partial Acquisitions, Course 401
- Easement Valuation, Course 402
- Legal Aspects of Easements, Course 802
- Eminent Domain Law Basics for R/W Professionals, Course 803
- Engineering Plan Development and Application, Course 901
- Introduction to Property Management, Course 700

Attended numerous workshops and seminars presented by the Appraisal Institute and International Right of Way Association.

POSITIONS HELD

Appraisal Institute

Region VII

1996-1998 General Guidance Committee Chairperson

Southern California Chapter

2006-2007 Director of Central Coast Branch, Litigation Seminar Chairperson
2004 Immediate Past President, Nominating and Litigation Seminar Chairperson
2003 President
2002 Vice President and Region VII Representative
2001 Treasurer
1999 - 2000 Director
1998 Secretary
1997 General Guidance Committee Chairperson
1996 - 1998 Experience Review Committee
1997, 2006 Litigation Seminar Co-Chairperson
1995 - 1997 Installation Committee Chairperson
1994 - 1995 Candidate Liaison and Chairperson Candidate Leadership Committee

International Right of Way Association (IRWA) Chapter 1 Activities

2005 Secretary, PDC Member, and Nominations/Awards Chair
2001 Immediate Past President, Nominating and Awards Chairperson
2000 President
1999 President Elect and International Director
1998 Vice President
1997 Treasurer
1996, 2001, 2006-7 Fall Seminar Committee Chairperson and/or Committee Member
1996-97, 1999,
2005-2007, 2009-2011 Valuation Conference Committee Member

TEACHING EXPERIENCE

1999 Instructor, Real Estate Principles at Glendale Community College
1998 Instructor, Real Estate Appraisal at Glendale Community College

EDUCATIONAL BACKGROUND

California State University, Northridge
Bachelor of Science Degree in Business Administration with dual emphasis in
Real Estate and Finance