One California Street, Suite 2550 San Francisco, CA 94111 Phone: 415-273-4532 Fax: 415-273-4591

U.S. Bank



To:	David Bacharowski	From: Ann Gadsby (415)-273-4532
Faxc	(213) 576-6700	Date: August 7, 2002
At	Chevron	Pages 10
Re:	Escrow 94821100	
Cc:		Atı
		Faxo
Cc:		At
		Fax
Urgent ☐ For Review☐ Please Comment		☐ Please Reply ☐ Please Recycle
·Comp	menter	

Copy of Escrow Agreement with Regional Water Quality Control Board

ESCROW AGREEMENT AND INSTRUCTIONS TO ESCROW HOLDER

Chevron U.S.A. Inc. (Chevron) and the Regional Water Quality Control Board, Los Angeles Region (Water Board) agree to establish an escrow account at Bank of America (Escrow Holder) on the following terms and conditions:

- Chevron will fund the escrow account with \$150,000.00. 1.
- 2. The funds will be disbursed on written request of Mr. Michael J. Holmes, representing Chevron, and Dr. Robert Ghirelli, executive officer, representing the Water Board for the purposes set forth in 3 below.
- The funds shall only be disbursed for worthy and appropriate pollution abatement and/or environmental mitigation projects and/or studies in the greater Santa Monica Bay area. Such projects may include, but are not limited to, a restoration project in the Malibu Lagoon Watershed and the pilot study portion of the Santa Monica Bay Restoration Project epidemiological study.
- All costs, expenses, charges and fees associated with the escrow account shall be paid by and invoiced to Chevron. Any interest earned by the escrow funds shall be paid to Chevron at the close of the escrow.
- These escrow instructions may only be terminated once 5. \$150,000.00 has been disbursed by the Escrow Holder.
- As additional consideration for the Escrow Holder's acceptance . of this account and instructions to act as escrow holder, Chevron and the Water Board agree to indemnify and hold escrow holder, its employees, officers, directors and agents harmless from and against any and all losses, liability, demands, claims and expenses, including attorney fees, arising out of or in connection with these instructions, or out of any actions of agents of Chevron and the Water Board, which are not caused by the Escrow Holder's negligence or willful misconduct. Chevron agrees to indemnify and hold Water Board, it employees, officers, directors and agents harmless from and against any and all losses, liability, demands, claims and expenses, including attorney fees, arising out of or in connection with these instructions, or out of any actions of agents of Chevron and the Escrow Holder, which are not caused by the Escrow Holder's negligence or willful misconduct. This provision shall survive the termination of these instructions and shall be binding upon each party's successors, assigns, heirs and personal representatives.
- The Escrow Holder agrees to invest and reinvest the funds in the escrow account at the direction and risk of Chevron during

the term of the escrow. Upon receipt of written instructions signed by an officer of Chevron, the Escrow Holder will act upon investment instructions the day that such instructions are received, provided the request is received within a sufficient amount of time to allow Escrow Holder to make the Instructions received after an specified investment. applicable investment cutoff deadline will be treated as being received by Escrow Holder on the next business day, and Escrow Holder shall not be liable for any loss arising directly or indirectly, in whole or in part, from the inability to invest funds on the day the instructions are received.

- If any controversy arises between the parties to this 8. agreement, or with any other party, concerning the subject matter of this agreement, its terms or conditions, Escrow Holder will not be required to determine the controversy or to take any action regarding it. Escrow Holder may hold all documents and funds and may wait for settlement of any such controversy by final appropriate legal proceedings or other means as, in Escrow Holder's discretion, Escrow Holder may be required, despite what may be set forth elsewhere in this agreement. In such event, Escrow Holder will not be liable for interest or damage. Furthermore, Escrow Holder may at its option, file an action of interpleader requiring the parties to answer and litigate any claims and rights among themselves. Escrow Holder is authorized to deposit with the clerk of the court all documents and funds held in escrow, except all costs, expenses, charges and reasonable attorney fees incurred by Escrow Holder due to the interpleader action and which the parties jointly and severally agree to pay. Upon initiating such action, Escrow Holder shall be fully released and discharged of and from all obligations and liability which may have been imposed after that date by the terms of this agreement.
- The parties acknowledge that payment of any interest earned on 9. the funds invested in this escrow will be subject to backup withholding penalties unless either a properly completed Internal Revenue Service form W8 or W9 certification is submitted to escrow holder.
- Escrow Holder may resign at any time upon giving at least ninety (90) days written notice to the parties, provided, 10. however, that no such resignation shall become effective until the appointment of a successor escrow holder which shall be accomplished as follows: The parties shall use their best efforts to mutually agree on a successor escrow holder within ninety (90) days after receiving such notice. If the parties fail to agree upon a successor escrow holder within such time, Escrow Holder shall have the right to appoint a successor

escrow holder authorized to do business in the state of California. The successor escrow holder shall execute and deliver an instrument accepting such appointment and it shall, without further acts, be vested with all the estates, properties, rights, powers and duties of the predecessor escrow holder as if originally named as escrow holder. Escrow Holder shall be discharged from any further duties and liability under this agreement.

11. Notice of any matter under this agreement shall be provided

Dr. Robert Ghirelli Regional Water Quality Control Board, Los Angeles P. O. Box 97 Region 101 Center Plaza Drive Monterey Park, CA 91754

Mr. Michael J. Holmes Chevron U.S.A. Inc. 324 W. El Segundo Blvd. El Segundo, CA 90245

Bank of America Corporate Escrow # 3960 One Embarcadero Center Fifth Floor San Francisco, CA 94111 Attn: Ms. Barbara L. Wise

12. This agreement is to be construed and interpreted according to

Robert Ghirelli Regional Water Quality Control Board, Los Angeles Region

, 1993

Michael J. Holmes Chevron U.S.A. Inc.

Bank of America acknowledges and agrees to perform the escrow agreement and instructions outlined above.

Dated:

18 , 1993

Lit13195

Bank of America NT & SA

CERTIFICATE OF ASSISTANT SECRETARY

RESOLVED: That any two persons holding the following positions with this Company:

The President
Any Vice-President
The Treasurer
An Assistant Treasurer
(collectively, "Authorizing Officers")

are authorized to:

- A) By written authorization, open, maintain, and close accounts with banks and other financial institutions; and
- B) By written authorization, designate officer(s) or other employee(s) of this Company or officer(s) or employee(s) of Chevron Corporation who shall have authority manually or by facsimile to sign and countersign checks, drafts, or other orders of payment, drawn on bank accounts of this Company; and
- c) By written authorization, request, authorize, and direct the designated depositaries of this Company (including their correspondent banks of such depositaries) to honor all checks or other items in this Company's name on its accounts designated in such authorization, when bearing the facsimile signature of any such person(s) named in such authorization. The designated depositaries (including their correspondent banks) shall be authorized to honor and to charge this Company's accounts at such depositaries for all such checks, regardless of by whom or by what means the facsimile signature or signatures thereon may have been affixed thereto, if such facsimile signature or signatures resemble the facsimile specimens from time to time filed with depositaries by any two of the Authorizing Officers of this Company; and
- D) By written authorization, designate the officer(s) or employee(s) of this Company or officer(s) or employee(s) of Chevron Corporation who shall have authority to issue instructions directing such banks and other financial institutions to transfer funds from accounts of this Company through various means including but not limited to transfers by check, draft, wire transfer, or automated clearing house; and
- E) By written authorization, designate officer(s) or other employee(s) of this Company or officer(s) or employee(s) of Chevron Corporation who shall have authority to (i) enter into contracts for purchase and/or sale of foreign exchange, either spot or forward, with any bank or other financial institution; (ii) execute and deliver any and all agreements or instruments evidencing such contracts; and (iii) execute

renewals or extensions of such contracts on behalf of this Company; and be it further

RESOLVED: That, by written authorization, an Authorizing Officer may appoint a deputy to act as an Authorizing Officer in exercising any of the authorities described in paragraphs A, B and C of the preceding resolution; and be it further

RESOLVED: That any two of the Authorizing Officers are authorized and empowered in the name of and on behalf of this Company to cause letters of credit or guarantees to be issued in favor of third parties by such banks or other financial institutions, in such amounts as they may deem advisable and to execute applications for and other agreements and instruments related to such letters of credit as they may approve in form and substance, such approval to be conclusively evidenced by the execution and delivery thereof; and be it further

<u>RESOLVED</u>: That the resolutions of similar import previously adopted by this Board of Directors on July 1, 1985, are superseded.

I, J. D. SURYAN, Assistant Secretary of CHEVRON U.S.A. INC., a Pennsylvania corporation, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of certain resolutions unanimously adopted at a meeting of the Board of Directors of said Company held at the office of said Company in San Francisco, California, on April 14, 1989, and that said resolutions are in full force and unrevoked.

WITNESS my hand and the seal of said Company this 25th day of Pebruary, 1993.

Assistand Secretary





1995 MAR 20 AN II: 58

March 8, 1995

The Chevren Com 2005 Diamond Boulevard Concord, CA 94520-5738 PO. Box 9400 Concord, CA 94524-1940

Ms. Botty Deichler Bank of America Corporate Escrow 3960 One Embarcadero Center, Fifth Floor San Francisco, CA 94111

Chevron U.S.A. Products Company A Division of Chevron U.S.A. Inc. Escrow Account No. 2117

Dear Ms. Deichler:

This letter is your authorization to change the Chevron representative authorized to request disbursement of funds from Escrow Account No. 2117 as follows:

DELETE:

Michael J. Holmes

ADD:

No changes should be made to the instructions governing the operation of the Account without written notification signed by two Authorizing Officers of this Corporation.

Should you have any questions, please contact Ms. Barbara Daniels at 510-827-6117.

510 977-7541

Unless we receive notice to the contrary, we will assume that our request has been implemented as instructed in this letter.

Very truly yours,

Chevron U.S.A. Products Company (A Division of Chevron U.S.A. Inc.)

D. A. Greenspan

Assistant Treasure

BAD:kar TLEBADOUKARLEM 95 Wood

Deputy Authorizing Officer

Mr. J. J. Truskey Mr. S. I. Sakauye State of California)SS County of San Francisco

On November 15, 1994, before me, Andrew A. Tomerson, a Notary Public in and for the State of California, personally appeared J. D. Suryan, Assistant Secretary of Chevron U.S.A. Inc., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which he acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public In and For Said County and State

CERTIFICATE OF INCUMBENCY

I, J. D. Suryan, Assistant Secretary of Chevron U.S.A. Inc. (hereinafter called the "Corporation"), a Pennsylvania corporation, DO HEREBY CERTIFY that the persons whose names, titles, and signatures appear below hold, on the date of this Certificate, the offices set opposite their names, and that the signatures appearing opposite their names are copies of their genuine signatures.

Office	Name	Signature
Vice-President & Treasurer	D. P. Smay	& Alman
*100-1 10300-00 00 X100-000	D. X. Subly	
Assistant Treasurer	D. A. Greenspan	D. C. Jungoon
Deputy Authorizing Officer	B. Daniel	S. Janil
Denuty Authorizing Officer	B. A. Daniels	Par miels
Deputy Authorizing Officer	b, A. Danies	0111.1
Deputy Authorizing Officer	B. J. Hasik	15 task
Deputy Authorizing Officer	R. E. Hingel	REHugel

WITNESS my hand and seal of said Corporation on this ____ dayof 1/ 1 5 19941994.

Assistant Secretary

From:

<JGWELLBAUM@aol.com>
<dbacharo@rb4.swrcb.ca.gov>

To: Date:

7/1/02 6:14PM

Subject:

Fwd: Northstar 2 - Deed Notification

Dave:

Attached to this email is the Deed Notification language that has been created by the Owners and approved by the Buyer's and their lender. Please review the provision with your counsel and let me know if it is acceptable in order for a no further action letter to be provided concerning the soil. I am also sending a fax copy to you as a backup. Thank you for your prompt attention to this matter.

Jim Wellbaum

Jim Wellbaum TRIWELL PROPERTIES INC., 108 Standard Street, P. O. Box 2248, El Segundo, CA 90245 310-322-7400 x101 310-322-7469 FAX

CC: <mpaul@sciproperties.com>, <RRobotti@aol.com>, <mwittcoff@sciproperties.com>, <abrooks@sciproperties.com>, <mattcrawford@earthlink.net>, <vmbohanec@arkapropertiesgroup.com>

From:

David Bacharowski

Subject:

Fwd: Northstar 2 - Deed Notification

Subject:

Woodland Hills Village Dry Cleaners, 20929 Ventura Boulevard, Woodland Hills, CA

(SLIC No. 1050)

At 1:15 pm, on June 11, 2002, a meeting, requested by the responsible party (RP), was held in this office. Meeting participants include Board staff members and representatives and interested parties from Northstar Properties Group II for the subject site. Attached is the meeting attendance sheet.

The purpose of the meeting was to discuss the results of previous onsite and offsite soil and groundwater investigations and to determine soil closure as requested by the responsible party. A project summary and recommendation was prepared by staff and submitted for management review before the meeting.

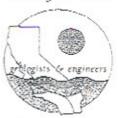
The meeting results are: 1) soil closure can be granted with Deed Notification requirements; the RP will draft a language to include the deed notification requirements for our legal review; 2) Groundwater monitoring is necessary to monitor the groundwater quality over the year.

Please add to the 90-day list for review. At the meeting Mr. Dickerson requested a priority review, if possible.

CC:

Arthur Heath; Ju-Tseng Liu; Laura Gallardo; Wendy Liu

California



Environmental

1161 Calle Suerte. Suite G Camarillo, California 93012 Originating Fax No.: (805) 445-8599

Jul-22-02 1:54PM;

Telephone No.: (805) 445-7117

FAX TRANSMITTAL

SEND FAX TO NO .:

(213) 576-6640

DATE:

7/22/02

TO:

Mr. David A. Bacharowski

FROM:

Mr. Charles Buckley

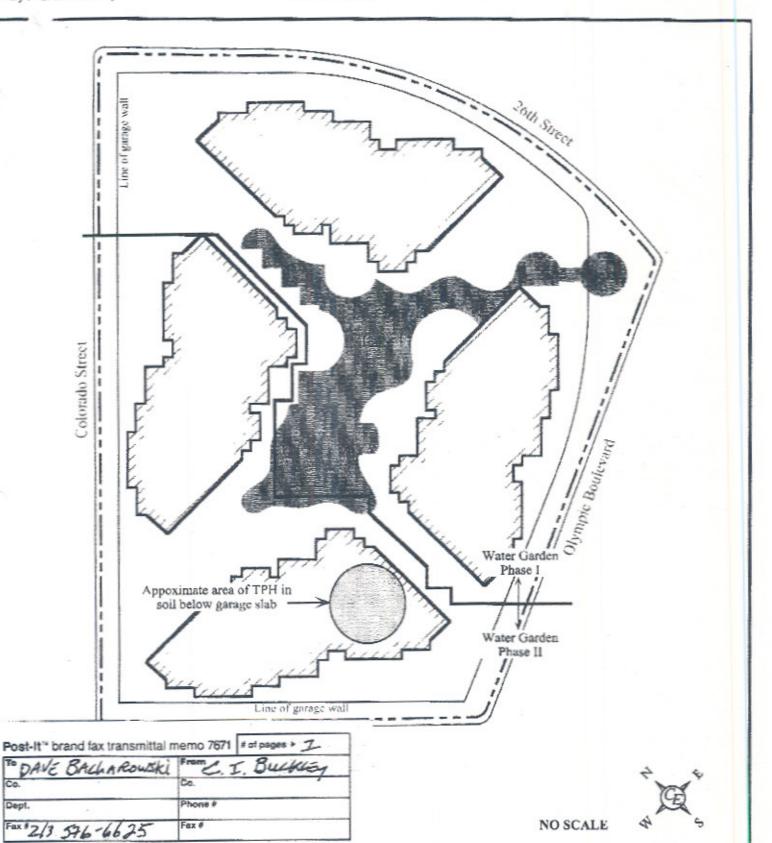
NO. OF PAGES (including this sheet)

Subject: Proposed language for covenant to be recorded against the Water Garden Phase II Development.

As you recall, you requested that I provide you with the proposed language prior to incorporation into the final covenant document. The following language has been approved by the owners of the property, J.P. Morgan, and the developer, J.h. Snyder. Please have your in-house counsel review the proposed language so that we can formalize the covenant and have it recorded in order to process the NFA letter. The following language is proposed.

"A zone of TPH impacted soil consisting of degraded bunker fuel is encapsulated beneath the subterranean garage of Water Garden Phase II development. The analytical tests on soil samples reveal the bunker fuel contains primarily heavy hydrocarbons (C23+) with low levels of volatile components. The attached Plot Plan shows the approximate limits of the TPH impacted soil. TPH impacts which remain in soil beneath the lowest subterranean level of the Water Garden Phase II portion of the project pose a low threat to the groundwater resource due to the insoluble nature of the fuel oil, the lack of volatile constituents, and the 70 foot separation from the regional aquifer resource. A clayey zone, approximately 20 feet thick, is present above the regional aquifer resource and beneath the zone of TPH impacted soil. The garage slab was provided with a methane membrane and collection system to mitigate the potential effects of methane generation due to anaerobic degradation of the residual TPH impacts."

Should you have any questions regarding the proposed language please call me directly.



8054458599;



PLOT PLAN Water Garden Project Santa Monica, California

Drawn By: LRN Job # EP897-1481

Checked By: CIB Date: JUNE 2002

California Environmental

est per pan de

California



Environmental

1161 Calle Suerte, Suite G Camarillo, California 93012 Originating Fax No.: (805) 445-8599 Telephone No.: (805) 445-7117

FAX TRANSMITTAL

SEND FAX TO NO .:

(213) 576-6640

DATE:

7/22/02

TO:

Mr. David A. Bacharowski

FROM:

Mr. Charles Buckley

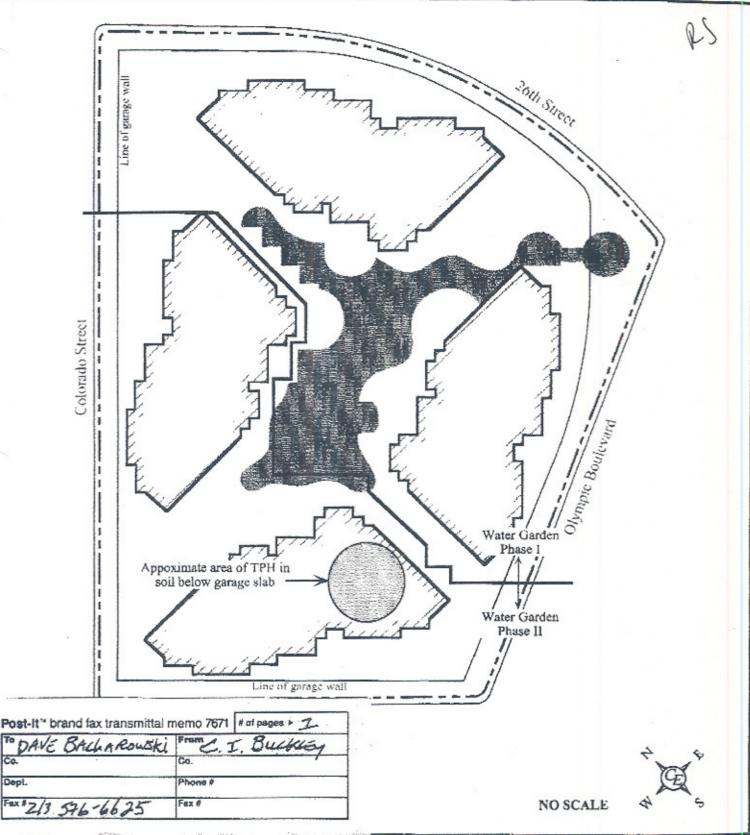
NO. OF PAGES (including this sheet)

Subject: Proposed language for covenant to be recorded against the Water Garden Phase II Development.

As you recall, you requested that I provide you with the proposed language prior to incorporation into the final covenant document. The following language has been approved by the owners of the property, J.P. Morgan, and the developer, J.h. Snyder. Please have your in-house counsel review the proposed language so that we can formalize the covenant and have it recorded in order to process the NFA letter. The following language is proposed.

"A zone of TPII impacted soil consisting of degraded bunker fuel is encapsulated beneath the subterranean garage of Water Garden Phase II development. The analytical tests on soil samples reveal the bunker fuel contains primarily heavy hydrocarbons (C23+) with low levels of volatile components. The attached Plot Plan shows the approximate limits of the TPH impacted soil. TPH impacts which remain in soil beneath the lowest subterranean level of the Water Garden Phase II portion of the project pose a low threat to the groundwater resource due to the insoluble nature of the fuel oil, the lack of volatile constituents, and the 70 foot separation from the regional aquifer resource. A clayey zone, approximately 20 feet thick, is present above the regional aquifer resource and beneath the zone of TPH impacted soil. The garage slab was provided with a methane membrane and collection system to mitigate the potential effects of methane generation due to anaerobic degradation of the residual TPH impacts."

Should you have any questions regarding the proposed language please call me directly.





PLOT PLAN Water Garden Project

Santa Monica, California

Drawn By: Job # LRN EP897-1481 Checked By: Date: CIB **JUNE 2002**

California Environmental

Deed Notification, for insertion in transfer deed between NS Properties II, LLC, a California limited liability company, as seller, to buyer under Purchase Agreement dated April 10, 2002, as amended.

"Notice is hereby given of the following:

E B

- In 2001 it was discovered that a release of Tetrachloroethene ("PCE") had occurred into
 the soil on the portion of the real property being transferred by this deed ("Release"), which
 portion is legally described as ______ ("Affected Property").
- Prior to any demolition, alteration, or construction of any subsurface portion of any
 improvement located on the Affected Property ("Improvement"), the soil under such portion of
 the Affected Property, to the extent affected by the Release, shall be tested and remediated as
 required by the California Regional Water Quality Control Board ("Board") under the Board's
 then-applicable standards ("Work").
- 3. Any Work required by the Board to be performed prior to July 15, 2017 ("Date") shall be performed and paid for by NS PROPERTIES II, LLC, a California limited liability company ("NS II"). Upon the earlier of a) the performance and payment of such Work, if any is required, or b) the Date, if no Improvement has been performed or no Work has been required prior to the Date, NS II shall be fully and automatically released from any and all obligations and liability whatsoever in connection with the Affected Property and the Release, including, without limitation, any and all obligation to perform or pay for any Work. Any Work required by the Board to be performed on or after the Date shall be performed and paid for by the then-fee owner(s) of the Affected Property and NS II shall have no obligation or liability whatsoever therefor. The foregoing obligations shall be binding on the transferees, heirs, successors and assigns of the grantee under this deed and shall run with and burden the land, whether or not expressly set forth in future transfer deeds.
- 4. If any term or provision of the foregoing is held by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall affect only the invalid or unenforceable term or provision and the foregoing shall be deemed not to contain, and be read as not containing, such invalid or unenforceable term or provision and remain in full force and effect."

To C. Buckley	From D. Bacharuwsk!
Co. Cal Cav	CO. RWQCB-LAR
Dept.	Phone # 263) 576-6607
Fax 9 805) 445-8599	Fax #

EXHIBIT A-2

USE RESTRICTIONS

1. Introduction.

As used throughout this Deed, "Owner of the Alternate Real Estate" means the thencurrent fee title owner or owners of all of the Alternate Real Estate or any portion thereof (whether that be Grantee or Grantee's successors or assigns). "Owner of the Alternate Real Estate" shall not refer to Grantor.

2. Use Restrictions.

By acceptance of this Deed, Grantee covenants and agrees for itself, its successors and assigns, during its ownership of the Real Estate as described in Exhibit A2a: (1) that it will not. whether by action or inaction, permit or allow the violation or breach of the Use Restrictions (provided. however, that the violation of any of the Use Restrictions by any tenant or occupant shall not constitute a violation by Grantee, except to the extent that Grantee fails to enforce the provisions of the applicable lease with respect thereto), (2) that it will not seek to unilaterally invalidate or void the Use Restrictions, (3) that it will indemnify, defend and hold harmless Grantor and Grantor's successors and assigns and its and their shareholders, members, directors, officers, employees, agents, contractors and representatives and the immediate predecessor-in-title to Grantor and such predecessor's shareholders, directors, officers, employees, agents, contractors and representatives (collectively, the "Indemnified Parties") from any and all losses, costs, expenses (including but not limited to attorney's fees and costs of litigation), fines, penalties, damages, suits, claims and judgments (collectively, "Losses") caused directly or indirectly by the violation of or any attempt to invalidate or void the Use Restrictions by the Owner of the Real Estate; (4) that the Owner of the Real Estate will indemnify, defend and hold harmless the Indemnified Parties from any Losses caused directly or indirectly by the violation of or any attempt to invalidate or void the Use Restrictions by the Owner of the Real Estate; (5) that the foregoing agreements are made as a material inducement to Grantor to execute this Deed; and (6) that the consideration paid by Grantee to Grantor for the Real Estate has been reduced in recognition of the foregoing agreements by Grantee and the indemnities set forth herein. Grantor and its successors and assigns shall be entitled to enforce compliance with the Use Restrictions by proceeding at law or in equity, including but not limited to bringing an action for injunctive relief, and in such event, Grantor and its successors and assigns shall be entitled to recover its reasonable attorney's fees, paralegal fees and costs incurred in connection therewith, at both the trial and appellate levels. The Use Restrictions shall run with the land in perpetuity and be binding on the Owner of the Real Estate in perpetuity (provided, however, that upon conveying the Real Estate to a subsequent Owner, no prior Owner including. without limitation, Grantee shall have any liability under this Deed for any matter).

The Use Restrictions may be amended or repealed only by Grantor and Grantee, or their respective successors and assigns, by a written agreement recorded in the real property records of Los Angeles County, California, which agreement must assure (i) that any and all costs resulting from amending or terminating any of the Use Restrictions is incurred at Grantee's, or its successors' and assigns', sole cost and expense, and (ii) that the Indemnified Parties are fully indemnified for any added risk of liability. Grantor shall review any such proposed agreement and give its consent within thirty (30) calendar days from receipt of a request therefor from Grantee.

Use Limitations. The use of the Real Estate shall be limited to commercial and I industrial purposes.

- 4. <u>Permanent Use Restrictions</u>. The following use restrictions shall run with the land and apply in perpetuity to the Real Estate and to the Owner of the Real Estate:
 - a. No groundwater from the Real Estate or water from any aquifer below the Real Estate shall be used for drinking, irrigation or any other purpose nor shall any wells be drilled on the Real Estate.
 - b. Except as otherwise required by this Grant Deed, no soil shall be removed from the Real Estate to an off-site location unless the Owner of the Real Estate determines that the soil can be lawfully relocated without posing a threat to the public health, safety, or welfare, or the environment. The Owner of the Real Estate shall be responsible for informing the contractor(s) of anticipated subsurface soil conditions related to worker exposure to such conditions. If required by law, the Owner of the Real Estate shall register with all applicable agencies as the "generator" of such soil. By undertaking such any such soil removal, the Owner of the Real Estate thereby agrees to indemnify, hold harmless and defend the Indemnified Parties from any and all Losses arising from such soil removal.
 - c. Any structures built on the Real Estate shall be built on a slab or grade that meets local building code requirements in all respects.. The Owner of the Real Estate shall not install basements or crawl spaces.
 - d. Any development of the Real Estate shall include construction and maintenance of an asphalt, concrete, clay or other impervious surface over the entire Real Estate, except for minimal landscaping as required by applicable ordinances and no other landscaping.
 - e. No underground storage tanks or oil water separators of any kind, other than those already present, or other than clarifiers used in food or textile processing, shall be installed on the Real Estate.
 - f. No party shall store any hydrocarbons or other liquid substances derived from petroleum on the Real Estate other than within already existing storage tanks.



EXHIBIT A-2

USE RESTRICTIONS

1. Introduction.

As used throughout this Deed, "Owner of the Alternate Real Estate" means the thencurrent fee title owner or owners of all of the Alternate Real Estate or any portion thereof (whether that be Grantee or Grantee's successors or assigns). "Owner of the Alternate Real Estate" shall not refer to Grantor.

2. Use Restrictions.

By acceptance of this Deed, Grantee covenants and agrees for itself, its successors and assigns, during its ownership of the Real Estate as described in Exhibit A2a: (1) that it will not. whether by action or inaction, permit or allow the violation or breach of the Use Restrictions (provided, however, that the violation of any of the Use Restrictions by any tenant or occupant shall not constitute a violation by Grantee, except to the extent that Grantee fails to enforce the provisions of the applicable lease with respect thereto), (2) that it will not seek to unilaterally invalidate or void the Use Restrictions, (3) that it will indemnify, defend and hold harmless Grantor and Grantor's successors and assigns and its and their shareholders, members, directors, officers, employees, agents, contractors and representatives and the immediate predecessor-in-title to Grantor and such predecessor's shareholders, directors, officers, employees, agents, contractors and representatives (collectively, the "Indemnified Parties") from any and all losses, costs, expenses (including but not limited to attorney's fees and costs of litigation), fines, penalties, damages, suits, claims and judgments (collectively, "Losses") caused directly or indirectly by the violation of or any attempt to invalidate or void the Use Restrictions by the Owner of the Real Estate; (4) that the Owner of the Real Estate will indemnify, defend and hold harmless the Indemnified Parties from any Losses caused directly or indirectly by the violation of or any attempt to invalidate or void the Use Restrictions by the Owner of the Real Estate; (5) that the foregoing agreements are made as a material inducement to Grantor to execute this Deed; and (6) that the consideration paid by Grantee to Grantor for the Real Estate has been reduced in recognition of the foregoing agreements by Grantee and the indemnities set forth herein. Grantor and its successors and assigns shall be entitled to enforce compliance with the Use Restrictions by proceeding at law or in equity, including but not limited to bringing an action for injunctive relief, and in such event, Grantor and its successors and assigns shall be entitled to recover its reasonable attorney's fees, paralegal fees and costs incurred in connection therewith, at both the trial and appellate levels. The Use Restrictions shall run with the land in perpetuity and be binding on the Owner of the Real Estate in perpetuity (provided, however, that upon conveying the Real Estate to a subsequent Owner, no prior Owner including. without limitation, Grantee shall have any liability under this Deed for any matter).

The Use Restrictions may be amended or repealed only by Grantor and Grantee, or their respective successors and assigns, by a written agreement recorded in the real property records of Los Angeles County, California, which agreement must assure (i) that any and all costs resulting from amending or terminating any of the Use Restrictions is incurred at Grantee's, or its successors' and assigns', sole cost and expense, and (ii) that the Indemnified Parties are fully indemnified for any added risk of liability. Grantor shall review any such proposed agreement and give its consent within thirty (30) calendar days from receipt of a request therefor from Grantee.

3. <u>Use Limitations</u>. The use of the Real Estate shall be limited to commercial and I industrial purposes.

- 4. <u>Permanent Use Restrictions</u>. The following use restrictions shall run with the land and apply in perpetuity to the Real Estate and to the Owner of the Real Estate:
 - a. No groundwater from the Real Estate or water from any aquifer below the Real Estate shall be used for drinking, irrigation or any other purpose nor shall any wells be drilled on the Real Estate.
 - b. Except as otherwise required by this Grant Deed, no soil shall be removed from the Real Estate to an off-site location unless the Owner of the Real Estate determines that the soil can be lawfully relocated without posing a threat to the public health, safety, or welfare, or the environment. The Owner of the Real Estate shall be responsible for informing the contractor(s) of anticipated subsurface soil conditions related to worker exposure to such conditions. If required by law, the Owner of the Real Estate shall register with all applicable agencies as the "generator" of such soil. By undertaking such any such soil removal, the Owner of the Real Estate thereby agrees to indemnify, hold harmless and defend the Indemnified Parties from any and all Losses arising from such soil removal.
 - c. Any structures built on the Real Estate shall be built on a slab or grade that meets local building code requirements in all respects.. The Owner of the Real Estate shall not install basements or crawl spaces.
 - d. Any development of the Real Estate shall include construction and maintenance of an asphalt, concrete, clay or other impervious surface over the entire Real Estate, except for minimal landscaping as required by applicable ordinances and no other landscaping.
 - e. No underground storage tanks or oil water separators of any kind, other than those already present, or other than clarifiers used in food or textile processing, shall be installed on the Real Estate.
 - f. No party shall store any hydrocarbons or other liquid substances derived from petroleum on the Real Estate other than within already existing storage tanks.