

City of Los Angeles

Tiena Johnson Hall, General Manager
Tricia Keane, Executive Officer

Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager
Craig Arceneaux, Acting Assistant General Manager



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT
1910 Sunset Blvd, Ste 300
Los Angeles, CA 90026
Tel: 213.808.8808

housing.lacity.gov

**Instructions for the Resale of
Controlled Price Units (CPU) at Playa Vista**

Current owners must obtain all the forms from Playa Vista Home when the owner is ready to sell his/her unit. Playa Vista Home ("PV") is located at 6200 Playa Vista Drive, Playa Vista, California 90094. PV can be reached at (949) 672-9050 or via e-mail escrowteam@seabreezemgmt.com and cheryl.birtles@seabreezemgmt.com

Procedures to follow to sell a Controlled Price Unit at Playa Vista:

1. Thirty (30) days prior to placing the unit on the market, the owner must notify the City of the owner's intent to sell the CPU.
 - **Controlled Price Unit Resale Notification Form**- Seller must submit two (2) original signed forms to the City.
2. Once the current owner finds a successful buyer, the following forms must be completed by the current owner, buyer, PV and the City:
 - **CPU Resale Price Calculation**- PV Home provides a price calculation of the control price unit based on the guidelines. PV and Seller need to sign and date two (2) original resale price calculations. Seller must submit one (1) original to the City and one (1) original to Escrow. The City will only accept this form with original signatures from all parties on the same page.
 - **Acknowledgement of Agreement** – Informs the buyer that they are purchasing a CPU. Buyer and Seller must sign and notarize three (3) agreements. Submit two (2) originals to the City and one (1) original to Escrow for recording.
 - **Option To Purchase Agreement**- Informs the buyer that the City of Los Angeles has the option to purchase the unit in the event of a default. Buyer must sign and notarize two (2) agreements and provide the originals to the City for the General Manager, City Attorney, and City Clerk's signature. The City will provide one (1) original executed agreement to Escrow for recording.
 - **Request for Notice (City)** – In the event that the property is in default, the City and PV will be notified. The City requires two (2) complete, original Requests for Notice containing the names of the parties, for City signature. The City will provide Escrow one (1) original signed and notarized notice for recording.
 - **Request for Notice (PV)** – The Buyer needs to provide a copy of one (1) signed and notarized notice by PV to the City and one (1) original signed and notarized notice by PV to Escrow for recording.
 - **Escrow estimated closing statement**- Seller needs to provide one (1) copy of the escrow estimated closing statements reflecting the final sales price of the CPU to the City.

The documents above are required prior to the closing of escrow. Please attach the property's legal description to all documents. The estimated time for the Los Angeles Housing Department (LAHD) to process CPU is about 10-15 business days upon receipt of all the required documents. To avoid any delays, please submit the completed forms with a self-addressed and pre-paid envelope to:

Los Angeles Housing Department
1910 Sunset Blvd., Ste 300
Los Angeles, CA 90026
ATTN: Land Use Section

PV Home
Center Pointe Club
6200 Playa Vista Drive
Playa Vista, CA 90094
Attn: PV Home Administrator

RE: Controlled Price Unit Resale Notification

To Whom It May Concern:

I _____, the owner of unit _____, located at _____ address of the Playa Vista development in the City of Los Angeles hereby gives notice to PV Home of my intent to sale the unit listed above. I can be reached at _____ (phone number) or at _____ (address). I will be in contact with the Center Pointe Club to request a price calculation before entering into any agreements with prospective buyers.

Sincerely,

(Signature)

Mail to:
City of Los Angeles
Los Angeles Housing Department
1910 Sunset Blvd., Ste 300
Los Angeles, CA 90026
ATTN: Land Use Section

RECORDING REQUESTED BY:

AND WHEN RECORDED MAIL TO:

CITY OF LOS ANGELES
LOS ANGELES HOUSING DEPARTMENT
1910 SUNSET BLVD., STE 300
LOS ANGELES, CALIFORNIA 90026
ATTENTION: LAND USE SECTION

ESCROW OR LOAN NO.

TITLE ORDER NO.

APN NO.

REQUEST FOR NOTICE

UNDER SECTION 2924b CIVIL CODE

In accordance with section 2924B, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust recorded as Instrument No. _____ on _____ Recording Concurrently _____, in book _____, page _____, Official Records of Los Angeles County, California, and describing land therein as

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART THEROF

Common Property Address: _____

Executed by _____, as Trustor,
in which _____ is
named as Beneficiary, and _____, as
Trustee, be mailed to:

**City of Los Angeles, Los Angeles Housing Department,
1910 Sunset Blvd., Ste. 300
Los Angeles, California 90026
Attention: Land Use Section**

NOTICE: A copy of any notice of default and of any notice of sale will be sent to the address contained in this recorded request. If your address changes, a new request must be recorded.

City of Los Angeles Housing Department

Signature By: _____ Dated: _____
Assistant General Manager

State of California)
) ss.
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT "A"
LEGAL DESCRIPTION

RECORDING REQUESTED BY:

AND WHEN RECORDED MAIL TO:

PV HOME
CENTER POINTE CLUB
6200 PLAYA VISTA DRIVE
PLAYA VISTA, CALIFORNIA 90094
ATTENTION: PV HOME ADMINISTRATOR

ESCROW OR LOAN NO.

TITLE ORDER NO.

APN NO.

REQUEST FOR NOTICE

UNDER SECTION 2924b CIVIL CODE

In accordance with section 2924B, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust recorded as Instrument No. _____ on _____, in book _____, page _____, Official Records of Los Angeles County, California, and describing land therein as

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART THEROF

Common Property Address: _____

Executed by _____, as Trustor,
in which _____ is
named as Beneficiary, and _____, as
Trustee, be mailed to:

**Playa Capital Company, LLC
6200 Playa Vista Drive,
Playa Vista, California 90094
Attn: PV Home Administrator**

NOTICE: A copy of any notice of default and of any notice of sale will be sent to the address contained in this recorded request. If your address changes, a new request must be recorded.

Playa Capital Company, LLC

Signature By: _____ DATED: _____

State of California)
) ss.
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT "A"
LEGAL DESCRIPTION

**RECORDING REQUEST BY:
AND WHEN RECORDED MAIL TO:**

PV Home
Center Pointe Club
6200 Playa Vista Drive
PLAYA VISTA, CALIFORNIA 90094
ATTENTION: PV Home Administrator

-----SPACE ABOVE THIS LINE FOR RECORDER'S USE-----

CITY OF LOS ANGELES AGREEMENT NUMBER _____

OPTION TO PURCHASE AGREEMENT

This Option to Purchase Agreement (the "Option Agreement") is entered into as of this _____ day of _____, 20__, by and between the City of Los Angeles (the "City"), acting by and through the Los Angeles Housing Department (the "Department"), and _____ (the "Owner"). Unless otherwise defined herein, all capitalized terms shall have the meaning accorded those terms in that certain Agreement Containing Covenants Affecting Real Property (Controlled Price Units) between the City and Maguire Thomas Partners Playa Vista ("MTP PV") dated as of 1996 (the "Controlled Price Agreement").

RECITALS

WHEREAS, the Controlled Price Agreement specifies that MTP PV shall provide a certain number of Controlled Price Units as part of the first phase of development of the Playa Vista Property;

WHEREAS, all Controlled Price Units are subject to the provisions of the Controlled Price Agreement;

WHEREAS, Owner is the Buyer of a Controlled Price Unit, the legal description of which is set forth on Exhibit A attached hereto; and

WHEREAS, the City desires to ensure that if Owner's Controlled Price Unit is potentially subject to foreclosure proceedings, the City will have an opportunity to receive notice of such foreclosure and an opportunity to acquire such Unit prior to a foreclosure sale.

NOW THEREFORE, in consideration of the mutual covenants and representations contained herein, the parties hereto covenant, represent and agree as follows:

AGREEMENT

1. Purchase Option. Owner hereby grants to the City an option to purchase Owner's Controlled Price Unit (the "Purchase Option") on the terms of this Option Agreement. The City may designate a governmental or nonprofit organization to exercise the Purchase Option. After the exercise of the Purchase Option in the manner hereinafter prescribed, the City or its designee may assign the Purchase Option to any substitute individual private buyer, provided, however, that such subsequent assignment shall not extend any time limits contained herein. The City shall give the Owner notice of any designation or assignment pursuant to this Section 1.

2. Default and Foreclosure.

(a) A request for notice of default or notice of sale under any deed of trust or mortgage with power of sale encumbering Owner's Controlled Price Unit shall be recorded by the City or its designee.

Upon City's receipt of such notice, City may exercise its Purchase Option pursuant to the provisions of this Option Agreement; provided, however, that notwithstanding any language contained in this Option Agreement to the contrary, with regard to the rights of the lien holder, City must complete such purchase no later than the end of the period established by California Civil Code Section 2924c for reinstatement of a monetary default under the deed of trust or mortgage.

(b) In the event of default and foreclosure, City shall have the same right as Owner to cure defaults and redeem the Controlled Price Unit prior to foreclosure sale. Such redemption shall be subject to the same fees, charges and penalties which would otherwise be assessed against the Owner. Nothing herein shall be construed as creating any obligation on the part of the City to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

(c) In the event the request for notice is recorded, City's Purchase Option shall run from the date the notice of default is given to the Owner, and any such purchase must be completed within the period established in this Section 2.

(d) In the event that City elects not to exercise its rights to purchase upon default, and a foreclosure sale is consummated, any party, and its successors 'and assigns, receiving title to the Controlled Price Unit through a trustee's sale, a judicial foreclosure sale or deed in lieu of foreclosure, or through any conveyance or transfer thereafter, shall receive title free and clear of the provisions of this Option Agreement.

3. Notices. All notices required herein shall be in writing and shall be considered as given when personally delivered or one business day following the day on which notice is delivered to Federal Express or similar overnight delivery service with all delivery charges paid, addressed to the parties as follows:

If to City:

City of Los Angeles
Los Angeles Housing Department
1910 Sunset Blvd., Ste 300
Los Angeles, California 90026
Attention: Land Use Section

If to Owner:

The address of a party for notices may be changed by that party's designation to all other parties of the new address and the recording of the designation, including the recording reference of this Option Agreement and the legal description of Owner's Controlled Price Unit attached as Exhibit A.

4. Benefits and Burdens. All provisions of this Option Agreement, including the benefits and burdens, run with the land described in Exhibit A and are binding upon the heirs, successors, assigns and personal representatives of the parties hereto and inure to the benefit of the heirs, personal representatives and permitted successors and assigns of the parties hereto.

5. Termination. This Option Agreement shall terminate on the earlier of (i) conveyance to the City or its designee pursuant to exercise of the Purchase Option, (ii) acquisition of title through a foreclosure of any consensual lien to which this Option Agreement has been subordinated or (iii) termination of the Controlled Price Agreement pursuant to the terms thereof. Upon termination of this Option Agreement, on request of the then record owner of the fee title to the Controlled Price Unit, the City shall execute, acknowledge and record a termination of this Option Agreement.

IN WITNESS WHEREOF, the City and the Owner have caused this Agreement to be executed by their duly authorized representatives:

APPROVED AS TO FORM:
HYDEE FELDSTEIN SOTO
City Attorney

By: _____
Print Name: _____
Deputy City Attorney

Date: _____

ATTEST:
City Clerk

By: _____
Print Name: _____
Deputy City Clerk

Date: _____

(Contractor Corporate Seal)

Council File Number:

Date Council Adopted:

Said Agreement is Number

of City Contracts

Executed this _____ day of
_____, 20____
For: THE CITY OF LOS ANGELES

Los Angeles Housing Department

By: _____
CRAIG JOSEPH ARCENEUX
Acting Assistant General Manager

By: _____
Owner

Date: _____

Unit # _____

Address _____

EXHIBIT "A"
LEGAL DESCRIPTION

**RECORDING REQUESTED BY:
AND WHEN RECORDED MAIL TO:**

PV Home
Center Pointe Club
6200 Playa Vista Drive
Playa Vista, CA 90094
Attention: PV Home Administrator

ACKNOWLEDGMENT OF AGREEMENT

DEFINITIONS

Controlled Price Units Agreement: Agreement Containing Covenants Affecting Real Property between the City of Los Angeles and Maguire Thomas Partners – Playa Vista First Phase of the Playa Vista Project
(Controlled Price Units)

Seller:

Buyer:

Controlled Price Unit (Insert Address of Unit):

_____,
as further described in Exhibit A attached hereto.

RECITALS

This Acknowledgment of Agreement is made this _____ day of _____, 20_____

A. Seller is the owner of that certain "Controlled Price Unit" (as that term is defined in the Controlled Price Units Agreement which is defined in Recital B below) which is legally described on Exhibit A attached hereto.

B. By the recordation of this Acknowledgment of Agreement, Buyer intends to ensure that title to the Controlled Price Unit is made subject to the provisions of the Controlled Price Units Agreement.

C. Pursuant to the Controlled Price Units Agreement, upon the recordation of the Controlled Price Units Agreement against the Controlled Price Unit, the covenants, conditions and restrictions contained therein shall run with the land and be binding upon MTP PV, MTP PV's heirs, executors, administrators, successors, transferees, assignees, and all parties having or acquiring any right, title, or interest in or to any part of the Controlled Price Unit.

D. Since the execution of Exhibit B, Maguire Thomas Partners – Playa Vista has transferred all interests and responsibilities of the Controlled Price Units Agreements to Playa Capital Company, LLC and Playa Capital Company, LLC has transferred all interests and responsibilities to subsequent owners of such Controlled Price Unit.

ACKNOWLEDGMENT

NOW, THEREFORE, as a successor to Playa Capital Company, LLC's interest in the property on which the Controlled Price Unit has been constructed, Buyer acknowledges that the covenants, conditions and restrictions contained in the Controlled Price Agreement run with the land and are binding upon heirs, executors, administrators, successors, transferees, assignees, and all other parties having or acquiring any right, title, or interest in or to any part of the Controlled Price Unit, except as otherwise provided in Section 2.5 of the Controlled Price Units Agreement. Any attempt to transfer title or any interest in the Controlled Price Unit in violation of the provisions of Article 2 of the Controlled Price Units Agreement shall be null and void.

IN WITNESS WHEREOF, Buyer has caused this Acknowledgment of Agreement to be executed as of the date first referenced above and Seller transfers such responsibility of the Controlled Price Units Agreement to Buyer.

BUYER: _____

State of California)
) ss.
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

SELLER: _____

State of California)
) ss.
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT "A"
LEGAL DESCRIPTION

EXHIBIT "B"

RECORDING INFORMATION:

AGREEMENT CONTAINING COVENANTS
AFFECTING REAL PROPERTY
BETWEEN THE CITY OF LOS ANGELES AND
MAGUIRE THOMAS PARTNERS - PLAYA VISTA
FIRST PHASE OF THE PLAYA VISTA PROJECT
(CONTROLLED PRICE UNITS)

This Agreement is entered into by and between The City of Los Angeles, a municipal corporation and Charter City (the "City"), acting by and through The City of Los Angeles Housing Department (the "Department"), and Maguire Thomas Partners - Playa Vista, a California limited partnership ("MTP-PV"), with reference to the following facts.

RECITALS

A. MTP-PV owns certain real property, located in the County of Los Angeles, commonly known as Playa Vista Area D, and depicted on Exhibit A hereto (the "Property"). The Property, together with certain real property commonly known as Playa Vista Area B and Playa Vista Area C, which Areas are also shown on Exhibit A hereto, are hereinafter referred to as the "Playa Vista Property."

B. As part of the first phase of development of the Property, MTP-PV intends to construct up to 3,246 dwelling units (the "Units") and complementary retail, commercial and other community-serving space, in accordance with Vesting Tentative Tract Map No. 49104 (the "Vesting Map" or the "Project"), approved by the City.

C. Pursuant to Conditions of Approval No. 129 to the Vesting Map (the "Map Condition"), MTP-PV must make 10% of the total Units actually constructed (at least 325 Units if all 3,246 Units are actually constructed) available at a purchase price not to exceed \$195,000 (in 1993 dollars) and impose restrictions on the resale of such Unit(s).

D. The purpose of this Agreement is to ensure compliance with the Map Condition.

NOW THEREFORE, in consideration of the mutual covenants and representations herein contained, the parties hereto covenant, represent and agree as follows:

AGREEMENT

Article 1 - Definitions

1.1 "Advisory Agency" means the Director of Planning of The City of Los Angeles as described in § 17.03 of the Los Angeles Municipal Code.

1.2 "Agreement" means this Agreement Containing Covenants Affecting Real Property between the City and MTP-PV.

1.3 "Base Price" means the purchase price of a Unit plus the closing costs, financing costs, and other costs actually incurred in the purchase of such Unit.

1.4 "Capital Improvements" means capital improvements which (1) have a useful life greater than five years, (2) are structural or permanent fixed improvements which cannot be removed without substantial damage to the Unit or substantial loss of value of said improvements and (3) were installed by or at the direction of the selling Owner.

1.5 "City" means The City of Los Angeles.

1.6 "Controlled Price Units" means 10% of the total Units actually constructed (at least 325 Units if all 3,246 Units are actually constructed) which shall be made available by MTP-PV at a purchase price not to exceed \$195,000 (in 1993 dollars) and which shall be subject to resale price restrictions, all as more fully provided in Article 2 of this Agreement.

1.7 "CPI" means the Consumer Price Index.

1.8 "Department" means The City of Los Angeles Housing Department.

1.9 "Map Condition" means Condition of Approval No. 129 to the Vesting Map.

1.10 "MTP-PV" means Maguire Thomas Partners - Playa Vista, a California limited partnership.

1.11 "Owner" means each person or entity holding a record ownership interest in the Controlled Price Unit(s), their successors and assignees, transferees, heirs, executors or administrators. Owner shall not include persons or entities who hold an interest merely as security for the performance of an obligation (e.g., co-mortgagor) or who assist a purchaser in qualifying for a mortgage. Owner shall not include persons or entities after they have ceased to hold a record ownership interest in the Controlled Price Unit(s).

1.12 "Playa Vista Housing Association" means a separate legal entity created or established by MTP-PV in order to, among other responsibilities, monitor on behalf of MTP-PV compliance with the Map Condition, to manage Controlled Price Units owned by MTP-PV so as to ensure compliance with the terms and provisions of this Agreement with respect to such Controlled Price Units as set forth in Section 2.6, to coordinate with the Owners of other Controlled Price Units in order to assist them in such compliance, and to initiate and maintain a program that ensures that the maximum feasible number of employees -- both onsite and in the immediate vicinity of the Playa Vista Property -- have an opportunity to live within the Project's housing, including priority consideration to onsite employees for Controlled Price Units.

1.13 "Playa Vista Property" means the Property, together with certain real property commonly known as Playa Vista Area B and Playa Vista Area C, which Areas are shown on the plot map, Exhibit A hereto.

1.14 "Project" means the Vesting Map.

1.15 "Property" means Playa Vista Area D, which is depicted on Exhibit A hereto.

1.16 "Units" means up to 3,246 dwelling units to be constructed as part of the first phase of development of the Playa Vista Property.

1.17 "Vesting Map" means Vesting Tentative Tract Map No. 49104.

ARTICLE 2 - Controlled Price Unit(s)

2.1 Designation of Controlled Price Unit(s). MTP-PV shall designate 10% of the Units to be available for a purchase price not to exceed \$195,000 (in 1993 dollars), as adjusted on a yearly basis by an amount equal to the Initial Sale CPI Adjustment (as hereinafter defined). MTP-PV shall so designate the Controlled Price Unit(s) by notifying the Department of the legal description, street address, and (if applicable) unit number of each Controlled Price Unit prior to the initial sale of any such Unit. If for any reason such initial sale does not occur, then MTP-PV may substitute another Controlled Price Unit for such unsold Unit. MTP-PV shall use good faith efforts to market and sell such designated Controlled Price Unit(s) for the purchase price set forth in this Section 2.1. A designated Controlled Price Unit may be rented until such time as such Controlled Price Unit is sold; provided, however, such Controlled Price Unit may not be rented for a period exceeding nine (9) months unless MTP-PV demonstrates to the Department that MTP-PV is using its good faith efforts to market and sell such Controlled Price Unit. The "Initial Sale CPI

Adjustment" means \$195,000 multiplied by 1.5 times the percentage increase, if any, in the CPI in effect at the end of the first calendar month ending thirty (30) days or more before the date on which the Controlled Price Unit is initially sold over the CPI in effect on September 21, 1993. The "Resale CPI Adjustment" means the Purchase Price multiplied by 1.5 times the percentage increase, if any, in the CPI in effect at the end of the first calendar month ending thirty (30) days or more before the date on which the Controlled Price Unit is resold over the CPI in effect for the first calendar month ending prior to the date on which the selling Owner acquired such Unit.

2.2 Resale Restrictions. The Controlled Price Unit(s) may not be sold in excess of the Resale Price (as hereinafter defined). The "Resale Price" shall be the lesser of (i) the fair market value of the resale Unit, such fair market value to be determined as the price agreed to by buyer and the selling Owner, or (ii) the Adjusted Price (as hereinafter defined). The "Adjusted Price" shall be the Base Price paid by the selling Owner (the "Purchase Price"), plus an amount equal to the Resale CPI Adjustment, plus the actual cost to the selling Owner of any Capital Improvements, with interest thereon at 10% per annum, plus any prepayment charges and other charges related to the resale incurred on the original note and trust deed of the selling Owner, plus the seller's normal and customary closing costs incurred in a transaction of this nature in Los Angeles County, including the cost of any required repairs or governmental insurer or lender compliance work, pursuant to an agency inspection or lender appraisal of a Controlled Price Unit, and such additional costs as may actually be required in the sale. Notwithstanding the foregoing, the following transfers of title shall not constitute a resale of a Controlled Price Unit: transfer by gift to Owner's spouse, or involuntary transfers such as transfer by demise, or inheritance, taking of title by surviving joint tenant, transfer of title to a spouse as part of divorce or dissolution proceedings, acquisition of title or interest therein in conjunction with marriage, by intestate succession, foreclosure sale (whether judicial or nonjudicial) or transfer of title into a trust controlled by the Owner. Nevertheless, the Controlled Price Unit affected by any such transfer shall remain subject to the conditions, limitations and restrictions provided for in this Article 2 when such Controlled Price Unit is resold or rerented by the applicable transferee.

2.3 Notice of Intent to Offer for Sale. Any Owner of any Controlled Price Unit(s), who intends to offer such Unit for resale, or who has received an offer to purchase such Unit which the Owner intends to accept, shall provide notice of his or her intention to offer such Unit for sale or accept such offer to purchase ("Owner's Notice"), as the case may be, to MTP-PV and the Department. No Controlled Price Unit(s) may be resold without Owner's Notice having first been duly given.

2.4 Right of First Refusal. MTP-PV shall have a right of first refusal to purchase any Controlled Price Unit(s) offered for resale at the Resale Price. This right shall be exercised, if at all, by written notice to the selling Owner within thirty (30) days of receipt of Owner's Notice. For purposes of this Section 2.4, the Resale Price shall be determined as follows:

(a) If the Owner has received a good faith offer to purchase the Controlled Price Unit(s) which the Owner intends to accept, the Resale Price shall be as set forth in Section 2.2 herein.

(b) If the Owner has received no purchase offer but intends to offer the Unit for resale, the Resale Price shall not exceed the Adjusted Price.

2.5 Duration of Restrictions. The provisions of this Article 2 shall apply to the initial sale or any subsequent resale, whether to MTP-PV or a third party, of any designated Controlled Price Unit(s). All restrictions on transfer contained in this Article 2 shall remain in full force and effect for fifteen (15) years from the date of initial sale of each Controlled Priced Unit(s), unless earlier terminated as follows:

(a) If a Controlled Price Unit is potentially subject to foreclosure proceedings, the following provisions apply:

(1) If a Controlled Price Unit is foreclosed at any time prior to the funding of a permanent loan, upon such foreclosure, MTP-PV will replace such foreclosed Unit with a comparable Unit within the Project.

(2) Upon the initial or any subsequent purchase of a Controlled Price Unit, the Buyer of such Unit shall be required to execute an Option to Purchase Agreement ("Option to Purchase") in substantially the form attached hereto as Exhibit B. Pursuant to such Option to Purchase, a request for notice of default shall be recorded against such Unit, which shall require notice of default be given to MTP-PV and the Department. If a Controlled Price Unit is subsequently foreclosed and upon receipt of such notice of default, the Department shall have the right of first purchase and must exercise such right, if at all, within 90 days of receipt thereof. Such right of first purchase is assignable by the Department to any third party, including, but not limited to, MTP-PV. If the Department or its assignee exercises such right of first purchase, the provisions contained in this Agreement shall continue in full force and effect with respect to such Controlled Price Unit. If neither the Department nor any assignee of the Department exercises such right of first purchase, then the foreclosure will result in the extinguishment of all restrictions contained in this Agreement with respect to said Unit, and MTP-PV shall not be required to designate any additional Controlled Price Unit to replace said Unit.

2.6 Assumption of Responsibilities. The Department shall administer the terms of this Article 2 until such time as the Playa Vista Housing Association is established and has assumed such administrative responsibilities under terms and conditions satisfactory to the Advisory Agency.

2.7 Recordation of Restrictions. MTP-PV shall ensure that title to all Controlled Price Unit(s) is made subject to the provisions of this Article 2 by recording this Agreement

against such Unit prior to the initial sale of each Controlled Price Unit and by incorporating such provisions in deed restrictions applicable to such Controlled Price Unit(s), which such provisions shall run with the land and be binding upon MTP-PV, MTP-PV's heirs, executors, administrators, successors, transferees, assignees, and all parties having or acquiring any right, title, or interest in or to any part of the Controlled Price Unit(s), except as otherwise provided in Section 2.5. Any attempt to transfer title or any interest in the Controlled Price Unit(s) in violation of the provisions of this Article 2 shall be null and void.

ARTICLE 3 - Remedies

3.1 MTP-PV and the Department, and their respective successors and assigns may enforce any of the terms, covenants or conditions contained in this Agreement through any proceedings at law or in equity. They may commence and maintain actions to restrain and enjoin any actual or threatened breach of any provision of this Agreement.

3.2 Any remedy provided for herein shall not be exclusive or preclude MTP-PV, the Department and/or the City from exercising any other remedy available under this Agreement, or under provisions of law, nor shall any action taken in the exercise of any remedy be deemed a waiver of any other rights or remedies available to such parties.

3.3 It is understood and agreed that no waiver of a breach of any of the provisions of this Agreement shall be construed as a waiver of any other breach; nor shall failure to enforce any portion of this Agreement be construed as a waiver of any of the conditions of this Agreement.

3.4 Except as otherwise provided herein, any dispute concerning the interpretation of this Agreement or enforcement of its terms, which is not disposed of by agreement of the Department and MTP-PV, may be submitted by either party to the Advisory Agency. The Advisory Agency shall make a decision and mail or otherwise furnish a written copy of the decision to MTP-PV and the Department. The decision of the Advisory Agency shall be final and conclusive unless within 10 days of receipt of such copy, either party files a written appeal with the City Council.

3.5 The decision of the City Council on an appeal shall be final and conclusive, unless determined by a court of competent jurisdiction not to be supported by substantial evidence. Pending final decision of a dispute hereunder, both parties shall proceed diligently with performance of the undisputed provisions of this Agreement.

ARTICLE 4 - General Provisions

4.1 Headings used in this Agreement are for convenience only and are not to be used to interpret the meaning of any of the provisions of this Agreement.

4.2 The provisions of this Agreement are independent and severable, and the invalidity or partial invalidity, or unenforceability of any provision or provisions shall not invalidate any other provision.

4.3 The provisions of this Agreement shall be liberally construed to effectuate its purpose.

4.4 The singular shall include the plural and the plural the singular, unless the context requires the contrary. The masculine, feminine and neuter shall each include the genders not used.

4.5 The General Manager of the Department or the General Manager's designee shall have the authority to act on behalf of the Department, in carrying out the Department's obligations under this Agreement.

4.6 All notices required to be given to the Department shall be in writing and mailed certified or registered mail return receipt requested or delivered with written proof of proper delivery to the Department at the following address:

Department:

City of Los Angeles
Housing Department
400 South Main Street
Suite 800
Los Angeles, California 90013
Attention: Romerol Malveaux
Director, Program Management

4.7 Unless MTP-PV otherwise advises the Department, all notices required to be given to MTP-PV shall be mailed certified or registered mail return receipt requested or delivered with written proof of proper delivery to MTP-PV at the following address:

MTP-PV:

Maguire Thomas Partners - Playa Vista
13250 Jefferson Boulevard
Los Angeles, California 90094

4.8 This Agreement shall continue in full force and effect until all obligations hereunder are discharged.

4.9 This Agreement may be amended or modified by the written consent of the parties hereto; provided, however, that any amendment or modification which requires modification of the Map Conditions is subject to the approval of the Advisory Agency.

4.10 No third-party beneficiary rights are intended to be created by this Agreement. Specifically, no person or persons, whether a member of an Eligible Household or not, shall be entitled to claim that he, she or they are entitled to rent or purchase a Controlled Price Unit under the terms of this Agreement.

4.11 Solely to the extent applicable to it, MTP-PV represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, Section 21.00 and following, of the Los Angeles Municipal Code). Solely to the extent applicable to it, for the term covered by this Agreement, MTP-PV shall maintain, or obtain as necessary, all such Business Tax Registration Certificates required of it under said Ordinance and shall not allow any such Business Tax Registration Certificates to be revoked or suspended.

4.12 MTP-PV shall not discriminate in its employment practices against any employee or applicant for employment because of the applicant's race, creed, religion, national origin or ancestry, sex, age, sexual orientation or preference, marital status, color, physical disability, familial status and disability, mental condition or medical condition, including pregnancy, childbirth or related medical condition.

IN WITNESS WHEREOF, the City, acting by and through the Department, and MTP-PV have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:

JAMES K. HAHN, City Attorney
By: Mildred V. Peters
Deputy City Attorney

Date: _____

ATTEST:

ELIAS MARTINEZ, City Clerk

By: _____
Deputy City Clerk

Date: _____

Executed this _____ day of
_____, 1996
For: THE CITY OF LOS ANGELES

GARY W. SQUIER

Los Angeles Housing Department

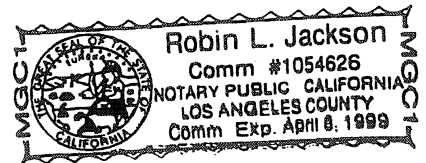

By: Gary W. Squier

ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Los Angeles

On April 1, 1996 (2:10pm), before me, Robin L. Jackson, Notary Public, personally appeared GARY W. SQUIER, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual
☐ Corporate Officer

Title

- ☐ Partner ☐ Limited
☐ General
☐ Attorney-in-Fact
☐ Trustee(s)
☒ Other: GENERAL MANAGER - LOS
ANGELES HOUSING DEPARTMENT

Signer is representing:
Name of Person(s) or Entity(ies)

CITY OF LOS ANGELES

DESCRIPTION OF ATTACHED DOCUMENT

COVENANT AGREEMENT - PLAYA VISTA
(CONTROLLED PRICE UNITS)

Title or Type of Document

NINE (9)

Number of Pages

Date of Document

NONE

Signer(s) Other Than Named Above

Executed this _____ day of


_____, 1996

For: MAGUIRE THOMAS PARTNERS-PLAYA VISTA,
a California limited partnership

By: MAGUIRE THOMAS PARTNERS/JMB ASSOCIATES, L.P.,
a California limited partnership, its general partner

By: MAGUIRE THOMAS PARTNERS-PLAYA VISTA
ASSOCIATES, a California limited partnership, a
general partner

By: MAGUIRE THOMAS PARTNERS, INC., a
California corporation, its general partner

By: 
Title: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 590

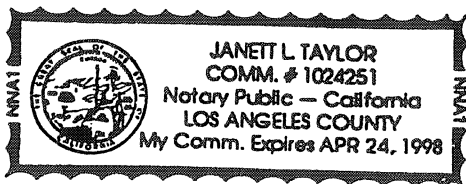
State of California

County of Los Angeles

On March 14, 1996 before me, Janett L Taylor
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared James A. Thomas
NAME(S) OF SIGNER(S)

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



WITNESS my hand and official seal.

Janett L. Taylor
SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

- TITLE(S) _____
- ☐ PARTNER(S) ☐ LIMITED
☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT _____

NUMBER OF PAGES _____

DATE OF DOCUMENT _____

SIGNER(S) OTHER THAN NAMED ABOVE _____

EXHIBIT A

PLOT PLAN OF PLAYA VISTA -- Areas B, C and D

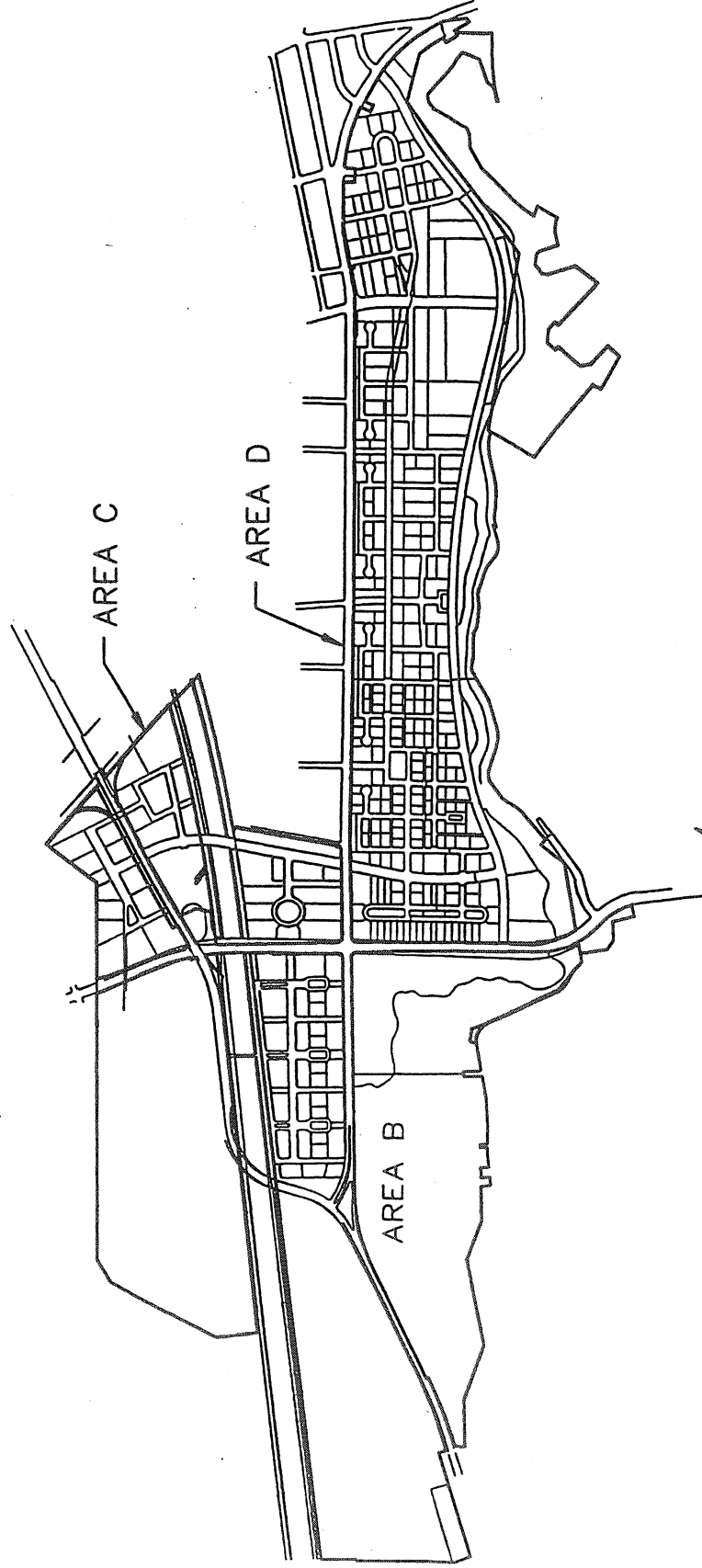


EXHIBIT "A"

Playa Vista Areas "B, C, & D"

PSOMAS

DATE: 08/3/05



EXHIBIT B

FORM OF OPTION TO PURCHASE AGREEMENT

See attached.

EXHIBIT B

RECORDING INFORMATION:

OPTION TO PURCHASE AGREEMENT

This Option to Purchase Agreement (the "Option Agreement") is entered into as of this _____ day of _____, 19____, by and between the City of Los Angeles (the "City"), acting by and through the City of Los Angeles Housing Department (the "Department"), and _____ (the "Owner"). Unless otherwise defined herein, all capitalized terms shall have the meaning accorded those terms in that certain Agreement Containing Covenants Affecting Real Property (Controlled Price Units) between the City and Maguire Thomas Partners-Playa Vista ("MTP-PV") dated as of _____, 1996 (the "Controlled Price Agreement").

RECITALS

WHEREAS, the Controlled Price Agreement specifies that MTP-PV shall provide a certain number of Controlled Price Units as part of the first phase of development of the Playa Vista Property;

WHEREAS, all Controlled Price Units are subject to the provisions of the Controlled Price Agreement;

WHEREAS, Owner is the Buyer of a Controlled Price Unit, the legal description of which is set forth on Exhibit A attached hereto; and

WHEREAS, the City desires to ensure that if Owner's Controlled Price Unit is potentially subject to foreclosure proceedings, the City will have an opportunity to receive notice of such foreclosure and an opportunity to acquire such Unit prior to a foreclosure sale.

NOW THEREFORE, in consideration of the mutual covenants and representations contained herein, the parties hereto covenant, represent and agree as follows:

AGREEMENT

1. Purchase Option. Owner hereby grants to the City an option to purchase Owner's Controlled Price Unit (the "Purchase Option") on the terms of this Option Agreement. The City may designate a governmental or nonprofit organization to exercise the Purchase Option. After the exercise of the Purchase Option in the manner hereinafter prescribed, the City or its designee may assign the Purchase Option to any substitute individual private buyer, provided, however, that such subsequent assignment shall not extend any time limits contained herein. The City shall give the Owner notice of any designation or assignment pursuant to this Section 1.

2. Default and Foreclosure.

(a) A request for notice of default or notice of sale under any deed of trust or mortgage with power of sale encumbering Owner's Controlled Price Unit shall be recorded by the City or its designee. Upon City's receipt of such notice, City may exercise its Purchase Option pursuant to the provisions of this Option Agreement; provided, however, that notwithstanding any language contained in this Option Agreement to the contrary, with regard to the rights of the lien holder, City must complete such purchase no later than the end of the period established by California Civil Code Section 2924c for reinstatement of a monetary default under the deed of trust or mortgage.

(b) In the event of default and foreclosure, City shall have the same right as Owner to cure defaults and redeem the Controlled Price Unit prior to foreclosure sale. Such redemption shall be subject to the same fees, charges and penalties which would otherwise be assessed against the Owner. Nothing herein shall be construed as creating any obligation on the part of the City to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

(c) In the event the request for notice is recorded, City's Purchase Option shall run from the date the notice of default is given to the Owner, and any such purchase must be completed within the period established in this Section 2.

(d) In the event that City elects not to exercise its rights to purchase upon default, and a foreclosure sale is consummated, any party, and its successors and assigns, receiving title to the Controlled Price Unit through a trustee's sale, a judicial foreclosure sale or deed in lieu of foreclosure, or through any conveyance or transfer thereafter, shall receive title free and clear of the provisions of this Option Agreement.

3. Notices. All notices required herein shall be in writing and shall be considered as given when personally delivered or one business day following the day on which notice is delivered to Federal Express or similar overnight delivery service with all delivery charges paid, addressed to the parties as follows:

If to City:

City of Los Angeles
Housing Department
400 South Main Street, Suite 800
Los Angeles, California 90013
Attention: Romerol Malveaux
Director, Program Management

If to Owner:

The address of a party for notices may be changed by that party's designation to all other parties of the new address and the recording of the designation, including the recording reference of this Option Agreement and the legal description of Owner's Controlled Price Unit attached as Exhibit A.

4. Benefits and Burdens. All provisions of this Option Agreement, including the benefits and burdens, run with the land described in Exhibit A and are binding upon the heirs, successors, assigns and personal representatives of the parties hereto and inure to the benefit of the heirs, personal representatives and permitted successors and assigns of the parties hereto.

5. Termination. This Option Agreement shall terminate on the earlier of (i) conveyance to the City or its designee pursuant to exercise of the Purchase Option, (ii) acquisition of title through a foreclosure of any consensual lien to which this Option Agreement has been subordinated or (iii) termination of the Controlled Price Agreement pursuant to the terms thereof. Upon termination of this Option Agreement, on request of the then record owner of the fee title to the Controlled Price Unit, the City shall execute, acknowledge and record a termination of this Option Agreement.

IN WITNESS WHEREOF, the City, acting by and through the Department, and Owner have caused this Option Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:

JAMES K. HAHN, City Attorney

Executed this _____ day of

By: _____
Deputy City Attorney

_____, 199____
For: THE CITY OF LOS ANGELES

Date: _____

By: Los Angeles Housing Department

By: _____
Title: _____

ATTEST:

ELIAS MARTINEZ, City Clerk

By: _____
Deputy City Clerk

Date: _____

Executed this _____ day of
_____, 199____

OWNER:

By: _____