

ORIGINAL

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OWNER PARTICIPATION AGREEMENT

by and between the

REDEVELOPMENT AGENCY OF THE CITY OF WEST COVINA

and

SYLVAN S. SHULMAN CO./WEST COVINA ASSOCIATES,  
A Delaware limited partnership

DATED June 26, 1989

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CENTRAL BUSINESS DISTRICT  
REDEVELOPMENT PROJECT AREA

DRAFT: June 226, 1989

TABLE OF CONTENTS

	<u>PAGE</u>
ARTICLE I SUBJECT OF AGREEMENT.....	1
Section 1.1 Purpose of Agreement.....	1
Section 1.2 The Redevelopment Plan.....	1
Section 1.3 The Site.....	1
Section 1.4 Parties to the Agreement.....	2
Section 1.5 Prohibition Against Change in Ownership, Management and Developer.....	3
Section 1.6 Project Description.....	4
Section 1.7 Contract Documents.....	4
Section 1.8 Contingencies.....	5
<u>Section 1.9 Concurrent Approval of Agreement                     Regarding Eastland Center.....</u>	<u>6</u>
ARTICLE II ACQUISITION OF PORTIONS OF THE SITE.....	6
Section 2.1 Agency Acquisition of Expansion Parcels.....	6
Section 2.2 Realignment of Public Rights to Way.....	8
Section 2.3 Vacation of I-10 Off-Ramp.....	8
Section 2.4 Relocation of Existing Tenants.....	9
Section 2.5 Sale of Developer Parcel; Time of Conveyance.....	10
Section 2.6 Order of Immediate Possession.....	11
Section 2.7 Use of Parking Facilities.....	11
Section 2.8 Funds for Acquisition Costs.....	11
Section 2.9 Soils and Environmental Testing.....	12
Section 2.10 Condition of Property.....	13
Section 2.11 Escrow.....	13
Section 2.12 Title.....	14
Section 2.13 Construction, Operation and Reciprocal Easement Agreement.....	14
ARTICLE III DEVELOPMENT OF THE SITE.....	14
Section 3.1 Scope of Development.....	14
Section 3.2 Basic Concept Drawings.....	15
Section 3.3 Construction Drawings and Related Documents.....	15
Section 3.4 Agency Approval of Plans, Drawings, and Related Documents.....	16
Section 3.5 Construction of Public Improvements...	17
Section 3.6 Agency Assistance With Undergrounding of Utility Lines.....	18
Section 3.7 Schedule for Renovation.....	18

TABLE OF CONTENTS  
(Continued)

	<u>PAGE</u>
Section 3.8 Schedule for Expansion and Public Improvements.....	18
Section 3.9 Completion of Development.....	19
Section 3.10 Indemnity and Insurance.....	19
Section 3.11 City and Other Governmental Agency Permits.....	20
Section 3.12 Rights of Access.....	21
Section 3.13 Local, State and Federal Laws.....	22
Section 3.14 Antidiscrimination During Construction.....	22
Section 3.15 Taxes, Assessments, Encumbrances and Liens.....	22
Section 3.16 Prohibition Against Transfer of the Site, the Buildings, or Structures Therein and Assignment of Agreement.....	22
Section 3.17 Certificate of Completion.....	23
 ARTICLE IV FINANCING.....	 24
Section 4.1 Public Financing.....	24
Section 4.2 Costs to be Financed.....	25
Section 4.3 Parameters of Public Financing.....	26
Section 4.4 Minimum Special Tax.....	27
Section 4.5 Agency's Obligation Toward Debt Service.....	28
Section 4.6 Developer Advances.....	29
Section 4.7 Repayment Fund.....	30
Section 4.8 Termination of Agency Contributions.....	31
Section 4.9 Park and Ride Agreement.....	32
Section 4.10 Agency Sales Tax Ordinance and Pledge of Sales Tax Revenues.....	32
Section 4.11 Mortgage, Deed of Trust, Sale and Leaseback Financing; Rights of Holders.....	32
A. No Encumbrances Except Mortgages, Deeds of Trust, or Sale and Leaseback for Development.....	32
B. Holder Not Obligated to Construct Improvements.....	33
C. Notice of Default to Mortgagee or Deed of Trust Holders; Right to Cure.....	33
D. Failure of Holder to Complete Improvements.....	34

TABLE OF CONTENTS  
(Continued)

	<u>PAGE</u>
E. Right of the Agency to Cure Mortgage or Deed of Trust Default.....	35
F. Right of the Agency to Satisfy Other Liens on the Site After Title Passes.....	35
ARTICLE V USE OF THE SITE.....	35
Section 5.1 Uses.....	35
Section 5.2 Covenants for Nondiscrimination.....	36
Section 5.3 Maintenance Covenants.....	37
Section 5.4 Effect of Violation of the Terms and Provisions of this Agreement, After Completion of Construction.....	37
Section 5.5 Continuation of Covenants.....	38
ARTICLE VI GENERAL PROVISIONS.....	39
Section 6.1 Notices, Demands and Communications Among the Parties.....	39
Section 6.2 Conflicts of Interest.....	39
Section 6.3 Enforced Delay; Extension of Times of Performance.....	39
Section 6.4 Nonliability of Officials and Employees of the Agency.....	40
Section 6.5 Inspection of Books and Records.....	40
ARTICLE VII DEFAULTS AND REMEDIES.....	40
Section 7.1 Defaults -- General.....	40
Section 7.2 Legal Actions.....	41
A. Institution of Legal Actions.....	41
B. Applicable Law.....	41
C. Acceptance of Service of Process.....	41
Section 7.3 Rights and Remedies Are Cumulative....	41
Section 7.4 Inaction Not a Waiver of Default.....	42
Section 7.5 Damages.....	42
Section 7.6 Specific Performance.....	42
Section 7.7 Termination of Agreement Prior to Conveyance.....	42
A. By Developer.....	42
B. By Agency.....	44
C. Procedure for Termination.....	44
D. Consequences of Termination.....	44
Section 7.8 Reentry and Revesting of Title in the Agency After Agency Conveyance.....	45

TABLE OF CONTENTS  
(Continued)

	<u>PAGE</u>
ARTICLE VIII SPECIAL PROVISIONS.....	47
Section 8.1 Submission of Documents to the Agency for Approval.....	47
Section 8.2 Amendments to this Agreement.....	48
Section 8.3 Real Estate Commission.....	48
Section 8.4 Entire Agreement, Waivers & General...	48
Section 8.5 Time For Acceptance Of Agreement By Agency.....	49

EXHIBITS

Exhibit 1	Site Map	
Exhibit 2	Legal Description of Site	
Exhibit 3	Schedule of Performance	
Exhibit 4	Escrow Instructions	
Exhibit 4A	Title Exceptions	
Exhibit 4B	Grant Deed	
Exhibit 5	Scope of Development	
Exhibit 6	Public Financing Budget	
Exhibit 7	(Not included)	
Exhibit 8	Construction Management Agreement	
Exhibit 9	Description of Public Financing with Cash Flow Projections and Formula for Calculation of Special Tax	
Exhibit 10	Operating Agreement for Parking Facilities	
<u>Exhibit 11</u>	<u>Eastland Center Agreement</u>	

OWNER PARTICIPATION AGREEMENT

THIS AGREEMENT is entered into by and between the REDEVELOPMENT AGENCY OF THE CITY OF WEST COVINA (the "Agency") and SYLVAN S. SHULMAN CO./WEST COVINA ASSOCIATES, a Delaware Limited Partnership, (the "Developer") and is dated as of June 26, 1989. In consideration of the mutual covenants and agreements contained herein, the Agency and the Developer hereby agree as follows:

ARTICLE I  
SUBJECT OF AGREEMENT

Section 1.1 Purpose of Agreement

The purpose of this Agreement is to effectuate the Redevelopment Plan (hereinafter "Plan") for the Central Business District Redevelopment Project Area (hereafter "Project Area") by providing for the redevelopment of certain property, hereafter described, located in the Project Area, in accordance with the Plan. The real property to be redeveloped pursuant to this Agreement (the "Site") is depicted on the "Site Map", which is attached hereto as Exhibit No. 1. This Agreement is entered into for the purpose of redeveloping the Site and not for speculation in land holding. Completing the redevelopment on the Site pursuant to this Agreement is in the vital and best interest of the City of West Covina, California (the "City") and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws.

Section 1.2 The Redevelopment Plan

The Plan, as approved and adopted by the City Council of the City of West Covina by Ordinance No. 1180, and was thereafter amended by Ordinance No. 1342 adopted on May 23, 1977, Ordinance No. 1481 adopted on July 7, 1980 and Ordinance No. 1657 adopted on December 10, 1984, is incorporated herein by this reference.

Section 1.3 The Site

The Site consists of the real properties shown on the Site Map and described in the "Legal Description", which is attached hereto as Exhibit No. 2.

The site to be developed pursuant to this Agreement (the "Site") consists of the "Developer Tract" and the "Expansion Area." "Developer Tract" means the tracts of land identified as the "Developer Tract" in the Construction, Operation and Reciprocal Easement Agreement dated as of November 5, 1973, between Sylvan S. Shulman Company, Broadway-Hale Stores, Inc., Federated Department Stores, Inc., J.C. Penney Properties, Inc. and the West Covina Redevelopment Agency, as amended (the "REA") and the "Agency Parcel" as identified in Exhibit 2, Legal Description of Site. "Expansion Area" means: (a) the parcels of land (the "Expansion Parcels") identified in the List of Expansion Area Parcels set forth in Exhibit 2, Legal Description of Site; (b) the "Roadbed Parcels" described in Section 2.2 hereof and Exhibit 2; and (c) the "Off-ramp Parcel" described in Section 2.3 hereof and Exhibit 2. "Shopping Center Site" means the Developer Tract, together with the "Broadway Tract," the "Bullock's Tract," the "Penney Tract" and the "Agency Tract" (as such tracts are defined in the REA), and upon completion of the Expansion (hereafter defined), the Expansion Area.

The "Developer Parcel" means the portion of the Expansion Area upon which the Expansion, the May Store, a pad for a possible fifth department store (in a location approved by Agency and Developer), and the Peripheral Developments (all as defined in Section 1.6(e)) are to be constructed.

The Site is part of the West Covina Central Business District Redevelopment Project of the City of West Covina.

#### Section 1.4 Parties to the Agreement

##### A. The Agency

The Agency is a public body, corporate and politic, exercising governmental functions and powers and organized and existing under the Community Redevelopment Law of the State of California (Section 33000, et seq., Health and Safety Code; hereafter "Act"). The principal office of the Agency is located at 1444 W. Garvey Avenue, West Covina, California.

##### B. The Developer

Sylvan S. Shulman Co./West Covina Associates, a Delaware limited partnership ("Developer"), will be the developer of the "Project" described in this Agreement. The Developer is a Delaware limited partnership consisting of

Sylvan S. Shulman Company, a California general partnership ("Shulman"), as the sole general partner, and May Centers of West Covina, Inc., a Delaware corporation ("MCWC"), as the sole limited partner. Developer owns the Developer Tract and qualifies as an owner participant under the Community Redevelopment Law and the Plan. The principal office and mailing address of the Developer is 1200 West Covina Parkway, No. 112, West Covina, California. Copies of all notices and other communications to Developer also should be sent to it at 201 Ocean Avenue, Suite 1809B, Santa Monica, California, and May Centers Inc., 611 Olive Street, St. Louis, Missouri 63101.

Section 1.5 Prohibition Against Change in Ownership, Management and Control of Developer

The qualifications and identity of Developer and of the partners of Developer are of particular concern to the Agency. It is because of its qualifications and identity that the Agency has entered into this Agreement with the Developer. Therefore, no voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein and no voluntary or involuntary successor in interest of Shulman shall acquire any rights or powers in the Developer or this Agreement except as expressly set forth herein.

The Developer shall not assign all or any of its rights or duties under this Agreement without the prior written approval of the Agency, which consent the Agency shall not unreasonably withhold provided the Agency determines that the successor is similarly qualified and has specifically agreed in writing to be bound by the provisions of this Agreement. Prior to completion of the Expansion Shulman shall not assign, convey or otherwise encumber all or any of its interest in Developer or all or any of its rights or duties under this Agreement except to another partner of Developer or an affiliate of Developer or such partner without the prior written approval of the Agency, which consent the Agency shall not unreasonably withhold provided the Agency determines that the successor is similarly qualified and has specifically agreed in writing to be bound by the obligations of its predecessor.

All of the terms, covenants and conditions of this Agreement shall be binding upon and shall inure to the benefit of the Developer and the permitted successors and



assigns of the Developer. Whenever the term "Developer" is used herein, such term shall include any other lawful successors in interest of Developer.

#### Section 1.6 Project Description

The project to be developed pursuant to this Agreement (the "Project") consists of the following components:

(a) the renovation (the "Renovation") of certain of the buildings and improvements currently situated on the Developer Tract pursuant to plans dated November 21, 1988;

(b) an expansion (the "Expansion") of the enclosed mall and mall shops within the Shopping Center containing approximately one hundred thousand (100,000) square feet of additional gross leaseable area plus related common area;

(c) the construction of a new, two-level May Co. department store (the "May Store") containing approximately one hundred forty thousand (140,000) square feet of floor area;

(d) the construction on land to be owned by the Agency of additional public surface parking areas, street relocation and realignment, traffic signalization, utility relocation not paid for by affected utilities, and street widening (collectively, the "Public Improvements"); and

(e) the construction of separate commercial buildings containing approximately seventy-four thousand (74,000) to eighty-two thousand (82,000) square feet of gross leaseable area (the "Peripheral Developments"), not connected to the mall buildings, that will be developed by Developer, Shulman or an affiliate of Shulman or third parties on portions of the Shopping Center Site.

The Project, as presently envisioned by the parties, is depicted on a Site Plan dated February 21, 1989, prepared by RTKL & Associates, Inc.

#### Section 1.7 Contract Documents

The Contract Documents which are part of this Agreement, and each of which are incorporated herein by this reference, are as follows:

Exhibit No. 1	Site Map
Exhibit No. 2	Legal Description of Site
Exhibit No. 3	Schedule of Performance
Exhibit No. 4	Escrow Instructions
Exhibit No. 4A	Title Exceptions
Exhibit No. 4B	Grant Deed
Exhibit No. 5	Scope of Development
Exhibit No. 6	Public Financing Budget
Exhibit No. 7	(Not included)
Exhibit No. 8	Construction Management Agreement
Exhibit No. 9	Description of Public Financing with Cash Flow Projections and Formula for Calculation of Special Tax
Exhibit No. 10	Operating Agreement for Parking Facilities
<u>Exhibit No. 11</u>	<u>Eastland Center Agreement</u>

#### Section 1.8 Contingencies

A. On or before thirty (30) days after the date of this Agreement, Developer shall notify Agency in writing of whether all persons with an interest in the Site including, but not limited to, parties to the REA or holders of any deeds of trust on the Site, who have a right of approval of expansion or renovation of facilities on the Site, have approved and consented to the Project described in this Agreement. If any such parties have not approved the expansion or renovation, Developer shall only have until thirty-five (35) days after the date of this Agreement to terminate this Agreement pursuant to Section 7.7.A.(10). In any event Agency shall not be required to file an eminent domain action pursuant to this Agreement unless and until all such parties approve and consent to the Project.

B. Within thirty (30) days after the date of this Agreement, Developer and Agency shall establish a plan for the relocation of the Post Office which occupies Assessor's Parcel No. 8473-8-03 within the Expansion Area. If Developer and Agency are unable to agree upon and accept, in writing, a plan for such relocation within such thirty (30) day period, Developer shall have the right to terminate this Agreement pursuant to Section 7.7.A.(10). If such right of termination is not exercised within five (5) days after the expiration of said thirty (30) day period, the Post Office shall remain as an occupant of such parcel until its existing lease expires or until it is relocated earlier in accordance with a plan mutually approved in writing by Developer and Agency.

Section 1.9 Concurrent Approval of Agreement  
Regarding Eastland Center

Concurrently with the approval of this Agreement, the Agency approved and entered into an agreement with May Centers, Inc. providing a guarantee for sales tax revenue the City would have received from the May Co. Store if it remained at Eastland Center and commitments for construction of certain renovations of the Eastland Center and the May Co Store. A copy of said agreement is attached hereto as Exhibit No. 11. Notwithstanding the fact that the commitments made by May Centers, Inc. in such other agreement relating to Eastland Center was an inducement for the Agency to enter into this Agreement, the effectiveness and enforceability of this Agreement is not in any way contingent or dependent upon the performance by May Centers, Inc. under such other agreement, and this Agreement is the only agreement between the Agency and Developer relating to the Project. It is therefore agreed that the approval of this Fashion Plaza Owner Participation Agreement is contingent upon the prior receipt of the executed May Centers Eastland Center Guarantee in a form acceptable to the City Council and Agency Board, which contingency the Agency acknowledges has been satisfied.

ARTICLE II  
ACQUISITION OF PORTIONS OF THE SITE

Section 2.1 Agency Acquisition of Expansion Parcels

A. In accordance with and subject to all of the terms, covenants and conditions of this Agreement, the Agency agrees hereby to acquire the Expansion Parcels.

B. Developer has been attempting to acquire the rights to purchase the Expansion Parcels through negotiations with the respective fee owners and occupants thereof prior to this Agreement and will continue to do so after its execution. Upon request of Developer, Agency shall approve in writing the purchase price and terms of purchase of any parcel or rights to purchase it. Such funds as may be necessary to pay to such owners, either as deposits, option payments or purchase prices, shall be advanced by Developer until such time as funds are available from the Public Financing described in Article IV pursuant to Section 2.8. To the extent Developer is not successful in negotiating an option or purchase agreement with any such owner or occupant after the exercise of due diligence, it may request the Agency to acquire the parcel of such owner by eminent domain. In such cases, or in any case where Developer has successfully negotiated with an owner for purchase of its parcel conditioned upon the potential exercise of the eminent domain power by the Agency, including any parcel owned by Developer or any of its partners, Agency shall commence acquisition proceedings pursuant to Subparagraphs C through F of this Section. From and after the time funds are available from the Public Financing as described in Article IV, the Agency, provided that it has approved the purchase prices paid by Developer for the Expansion Parcels acquired by Developer, shall acquire from Developer all parcels or rights to purchase the same acquired by Developer in accordance with this Section for the purchase price paid by Developer to acquire the same. In the event such costs, when added to all other costs to be paid from the proceeds of Public Financing as provided in Section 4.2.A., exceed the total amount of the budget attached hereto as Exhibit 6, Developer shall absorb such excess costs provided that Developer shall pay all costs related to the Developer Parcel. Agency and Developer acknowledge that the Expansion Parcel identified on Exhibit 2 as Assessor's Parcel No. 8474-3-53 is owned by the partners of Shulman, and Agency and Developer agree that the fair market value of such parcel is and the purchase price to be paid by the Agency for such parcel shall be the sum of \$1,800,000.

C. Upon Developer's request, the Agency shall, in good faith, negotiate with the current owners and lessees of the Expansion Parcels in order to attempt to acquire said parcels without the necessity of condemnation proceedings. Developer shall have the right to approve in writing any offers made by Agency in the course of negotiations or any negotiated acquisitions made by Agency, provided 1) nothing herein shall preclude Agency from negotiating in good faith

with the owners of the Site nor from making such offers as are required by law and 2) Agency shall not, except if ordered by a court in eminent domain proceedings, acquire any Expansion Parcel for an amount in excess of the amount approved by Developer.

D. If any negotiations undertaken by the Agency prove unsuccessful, Agency shall schedule and properly notice a public hearing to determine whether the parcel involved should be acquired by eminent domain. Provided that the Agency complies with all laws, determines to acquire such parcel by eminent domain, makes appropriate fundings supporting such determination, and adopts the necessary Resolutions of Necessity, Agency promptly thereafter shall commence and thereafter diligently prosecute eminent domain proceedings to acquire such parcel. The parties agree that if the Agency fails to adopt necessary Resolutions of Necessity or there is a final determination in such eminent domain proceedings that the Agency does not have the right to acquire any of the Expansion Parcels by eminent domain, either party may terminate this Agreement in accordance with Section 7.7. Agency shall not be required, however, to file an eminent domain action pursuant to this Agreement unless and until all persons with an interest in the Site including, but not limited to, parties to the REA or holders of any deeds of trust on the Site, who have a right of approval of expansion or renovation of facilities on the Site, have approved and consented to the Project described in this Agreement pursuant to Section 1.8 of this Agreement.

E. Developer acknowledges that under the Community Redevelopment Law of the State of California, the current owners of the Expansion Parcels may have certain rights to participate in the redevelopment of the Project Area, and Agency represents to Developer that it has notified all such owners of such rights.

F. The Agency shall prepare and deliver to Developer a monthly status report (the "Interim Report") describing the status of its efforts to acquire each of the Expansion Parcels. Each Interim Report shall describe in reasonable detail the efforts of Agency to acquire the Expansion Parcels and shall include, without limitation, the following: (a) a copy of each offer made by the Agency to the existing owners and occupants; (b) a copy of each counter offer (or a detailed description if verbal) received from the existing owners and occupants; (c) a copy of any new appraisals received with respect to the Expansion Parcels; (d) a detailed description of the status of any

legal proceedings that affect the acquisition of the Expansion Parcels and an analysis of the issues, both substantive and procedural, that have been raised therein.

#### Section 2.2 Realignment of Public Rights of Way

The Agency shall request the City to initiate such proceedings as may be necessary (a) to realign or abandon and realign, that portion of California Avenue between Garvey Avenue (adjacent to the San Bernardino Freeway) and West Covina Parkway and (b) realign or abandon and realign that portion of South Garvey Avenue between California Avenue and Vincent Avenue (collectively, the "Roadbed Parcels") within the time required for conveyance under Section 2.5. Those portions of right of way abandoned as not required for street purposes shall be formally vacated in accordance with applicable requirements of the California Streets and Highways Code. Concurrently with this Agreement, Agency shall enter into a Cooperation Agreement with City to implement the terms of this Section.

#### Section 2.3 Vacation of I-10 Off-Ramp

The City and the State of California Department of Transportation (the "State") entered into an Agreement dated as of May 28, 1985, captioned "District Agreement No. 3639" (the "DOT Agreement"). Under the terms of the DOT Agreement, the City has certain rights to cause the state to close the California off-ramp and convey the closed off-ramp (the "Off-ramp Parcel") to the City. The Agency agrees that, upon the request of the Developer, it promptly will arrange for City to commence such activities as may be necessary under the DOT Agreement to acquire title to the Off-ramp Parcel within the time provided in Section 2.5 hereof for conveyance of portions of the Expansion Area to Developer. Concurrently with this Agreement, Agency shall enter into a Cooperation Agreement with City to implement the terms of this Section.

#### Section 2.4 Relocation of Existing Tenants

The Agency shall, to the extent required by law, relocate all tenants and other persons in possession (collectively, the "Existing Tenants") of any part of the Expansion Area. Proceeds of the Public Financing shall be used by the Agency for such purpose (except for relocation attributable to the Developer Parcel), provided that all costs of such relocation and any other amounts paid to Existing Tenants shall conform to the budget attached hereto as Exhibit 6. In the event such costs, when added to all

other costs to be paid from the proceeds of Public Financing as provided in Section 4.2.A., exceed the total amount of the budget attached hereto as Exhibit 6, Developer shall pay such excess costs upon demand of Agency and prior to the time Agency must use such funds to make payment to a tenant or other person entitled to relocation benefits. It is the mutual objective of the Agency and the Developer to relocate Existing Tenants within the Project, provided that such relocation will substantially reduce or eliminate substantial costs for tenant goodwill and relocation, and will substantially reduce the potential termination of the businesses or the relocation of the businesses of the Existing Tenants to locations outside of the City of West Covina. To help achieve these objectives, the Developer agrees to provide reasonable preferences in leasing space within the Project to Existing Tenants, so long as: (a) the businesses conducted by the Existing Tenants are not detrimental to the tenant mix within the Project; (b) such Existing Tenants possess the financial capability to perform their obligations as tenants of the Project; and (c) Developer shall not be required to offer lease terms to Existing Tenants which are more favorable than those offered to other prospective tenants in accordance with its established leasing plan for the Project.

Section 2.5      Sale of Developer Parcel; Time of Conveyance

A. The Agency shall sell the Developer Parcel to the Developer, and the Developer shall purchase the Developer Parcel from the Agency for an amount (the "Purchase Price") determined as follows, but not less than Seven Million Dollars (\$7,000,000.00): The costs expended by the Agency for acquisition of the Expansion Area which are described in clauses 1 through 4 of Section 4.2.A. plus the cost of acquiring the Developer Parcel (including costs of land acquisition, relocation, demolition, fixtures and equipment and goodwill) shall be multiplied by a fraction, the numerator of which is the total land area within the Developer Parcel and the denominator of which is the total land area within the Expansion Area, including the Developer Parcel. If the Purchase Price is greater than Seven Million Dollars, the amount of said difference shall be spent out of the proceeds of the Public Financing for Public Improvements described in clause 5 of Section 4.2.A.

B. Subject to the terms of the next sentence and of Section 2.6, the Agency shall endeavor to convey fee title to the Developer Parcel to Developer free and clear of all liens, encumbrances and tenancies except those approved

pursuant to Section 2.12 within six (6) months following the date of this Agreement. If the Agency is unable to acquire all of the Expansion Area and to convey title (or exclusive possession pursuant to Section 2.6 hereof) to the Developer Parcel within six months following the date of this Agreement, then the Agency shall give written notice of such fact and an itemized statement of the reasons for such inability to the Developer; in such event, the Agency shall continue to use best efforts to acquire such remaining portions of the Expansion Area and convey the Developer Parcel to Developer at the earliest possible time. If the Agency shall discontinue diligent efforts to acquire, or be unsuccessful in acquiring, all of the Expansion Area within six (6) months following the date of this Agreement, then the Developer shall have the right to terminate its obligations under this Agreement pursuant to Section 7.7; provided, however, that Developer's right to terminate this Agreement pursuant to this paragraph shall be suspended so long as it is legally possible for the Agency to acquire all of the Expansion Area and the Agency shall be continuing diligently to take all steps necessary to acquire the Expansion Area.

C. Upon request of Developer and subject to appropriate amendment of Escrow Instructions, Agency shall convey the pad designated for the May Store directly to the entity to own such pad. Such a conveyance shall be deemed to satisfy Agency's obligation under this Section as to such pad.

#### Section 2.6 Order of Immediate Possession

Notwithstanding the provisions of Section 2.5 hereof, the Developer shall accept, in lieu of fee title to any part of the Developer Parcel, conveyance of the Agency's interest pursuant to a judicial order granting the Agency immediate possession of the affected portion of the Developer Parcel, provided that: (a) the Agency delivers possession of such portion to Developer on or before the time required in Section 2.5 for the conveyance of the Developer Parcel; (b) the Developer's title insurance company issues an endorsement insuring that the Developer has the right to exclusive use and possession of the Developer Parcel and that the Agency is obligated to convey fee title to the Developer Parcel to the Developer upon acquisition; (c) the Agency is diligently proceeding to obtain final judgment in the eminent domain proceeding with respect to such parcel;



and (d) the Agency shall have deposited into escrow a Grant Deed for the conveyance of such parcel or parcels within the Developer Parcel to the Developer.

Section 2.7 Use of Parking Facilities.

Concurrently with the sale of the Developer Parcel to Developer, Agency shall execute an amendment to the REA which grants to the parties thereto non-exclusive easements to use the parking facilities of the Public Improvements for automobile parking and vehicular and pedestrian access in common with members of the public entitled to use the same so long as the Reciprocal Easement Agreement for the Shopping Center remains in effect. The parking facilities of the Public Improvements shall be devoted to and available for use as public parking without preference or priority to any person and shall be subject to such reasonable restrictions and regulations as may be permitted by applicable tax laws governing the Public Financing. The Agency shall employ the Developer to initially manage and operate the parking facilities of the Public Improvements in accordance with the Operating Agreement for Parking Facilities, attached hereto as Exhibit 10.

Section 2.8 Funds for Acquisition Costs

The Agency and the Developer contemplate that the funds required for the acquisition of portions of the Expansion Area prior to conveyance of the Developer Parcel to Developer shall be paid out of the proceeds of the Public Financing described in Article VI of this Agreement. If, however, funds are required for land acquisition before proceeds are available from the Public Financing, Developer shall, on a case-by-case basis, determine whether to advance funds prior to the availability of proceeds of the Public Financing. Neither the Agency nor the Developer shall be obligated to advance such funds. The Developer shall be reimbursed out of the proceeds of the Public Financing for funds for property acquisition, if any, advanced under this Section upon conveyance of land to Agency or assignment to Agency of rights to purchase acquired by Developer to Agency provided that the Purchase Price paid by Developer pursuant to Section 2.5.A. shall be deemed to have been used to acquire the Developer Parcel.

Section 2.9 Soils and Environmental Testing

A. Promptly following its approval and execution of this Agreement, Agency shall seek from the owners of parcels within the Expansion Area designated by

Developer the right to enter upon such parcels to permit the testing of soils conditions by Developer, including such drilling and boring as Developer may deem necessary, provided that upon completion of such tests the surface shall be restored to its condition immediately prior to such testing. In the event that an owner refuses to grant such right of entry, Agency agrees to seek a court order to permit such right of entry, provided that it theretofore has determined, following appropriate public hearing, to acquire such property by eminent domain.

B. Developer shall within sixty days following obtaining rights of entry for all parcels within the Expansion Area perform tests and studies to determine if the soils and geologic conditions of the Expansion Area are suitable for use of the Site as provided in this Agreement and also to determine the presence of any contaminated material, toxic or hazardous waste or asbestos. The consultant performing studies to determine the presence of contaminated materials, toxic or hazardous waste or asbestos shall be approved by both the Developer and Agency. The cost of all such testing shall be borne by Developer.

C. Following receipt of any report regarding soils tests or the presence of contaminated materials, toxic or hazardous waste or asbestos, Developer shall deliver a copy of such report to the Agency. Developer shall be responsible for performing any work required to improve the geologic condition of the soil or to remove contaminated materials, toxic or hazardous waste or asbestos from the Site as required by law to proceed with the development contemplated by this Agreement, and Agency shall have no responsibility or liability for any such work. In the event that the work required will cost in excess of \$100,000, Developer shall have the right not to perform such work and to terminate this Agreement. Nothing provided herein shall preclude Developer from seeking contribution to the cost of any work relating to removal of contaminated materials, toxic or hazardous waste or asbestos from parties other than Agency.

#### Section 2.10 Condition of Property

Developer acknowledges that it is sophisticated and knowledgeable with regard to evaluating, buying and selling real property in the area and that prior to the close of escrow, pursuant to this Agreement, will have had sufficient opportunity to enter the Expansion Area and make any and all

tests and inspections as Developer deems necessary to satisfy itself as to the condition of the Expansion Area for the uses set forth in this Agreement.

DEVELOPER IS ACQUIRING THE DEVELOPER PARCEL "AS IS" WITHOUT ANY REPRESENTATIONS OR WARRANTY OF ANY KIND WHATSOEVER AS TO ITS CONDITION (LATENT, PATENT, OR OTHERWISE), EXCEPT FOR THE WARRANTIES EXPRESSED OR IMPLIED IN THE DELIVERY OF A GRANT DEED AND AS EXPRESSLY SET FORTH IN THIS AGREEMENT

#### Section 2.11 Escrow

The parties hereto shall open an Escrow with the Escrow Department of Stewart Title Co., for the conveyance of the Developer Parcel to Developer and other conveyances between Developer or Developer's partners and Agency in accordance with this Agreement. Upon opening escrow the Assistant Executive Director on behalf of the Agency and the Developer shall execute Escrow Instructions as necessary to effectuate and implement this Agreement. The Escrow Instructions shall be substantially in the form of Escrow Instructions attached hereto as Exhibit 4 and may be amended as necessary.

#### Section 2.12 Title

A. Agency agrees to convey the Developer Parcel by Grant Deed to Developer free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases and taxes EXCEPT such items as are identified on Exhibit No. 4A or are otherwise approved by Developer.

B. Promptly following recordation of the Grant Deed to Developer, Escrow Agent shall deliver to Developer a CLTA Standard Coverage Owner's Policy of Title Insurance in the amount of the Purchase Price issued by Stewart Title Co., showing fee simple title to the property vested in Developer, subject only to the exceptions listed on Exhibit No. 4A and the printed exceptions and stipulations in said policy. In the event that the Developer Parcel is conveyed to Developer in accordance with Section 2.6, the policy shall insure that Developer is vested with a leasehold interest as to those portions as to which the Agency has acquired only a right of possession, and upon acquisition, by

Agency of fee title to such portions, an endorsement shall be issued insuring that Developer is vested with fee simple title to such portions.

Section 2.13 Construction, Operation and Reciprocal Easement Agreement

Following the approval and execution of this Agreement by the Agency, Developer shall commence good faith negotiations with the parties to the REA in order to amend the REA to make it consistent with this Agreement, and shall deliver a copy of each draft of the proposed Amendment to Agency. Developer shall exercise diligence to cause the execution of the REA Amendment by all parties at the earliest feasible time.

ARTICLE III  
DEVELOPMENT OF THE SITE

3.1 Scope of Development

The Site shall be developed within the general controls established in the Scope of Development, the approvals of Agency described herein and of the City as required by the West Covina Municipal Code, and related laws governing municipal planning, zoning and subdivision.

3.2 Basic Concept Drawings

The Developer shall prepare the Basic Concept Drawings and related documents for the development to be constructed in accordance with the Schedule of Performance. The Basic Concept Drawings shall consist of a site plan, elevations, architectural renderings, materials board and such other items as Agency may require in order to evaluate the Project pursuant to Section 3.4. The Site shall be developed as established in the Basic Concept Drawings and related documents except as changes may be mutually agreed upon between the Developer and the Agency. Any such changes shall be within the general controls of the Scope of Development.

Agency hereby approves the Basic Concept Drawings for the Renovation dated November 21, 1988, on file in the City's Planning Department and the Site Plan for the Expansion dated February 21, 1989 on file in the Agency office.

### 3.3 Construction Drawings and Related Documents

The Developer shall prepare and submit construction drawings, specifications and related documents for the entire Site to the City and Agency for review pursuant to the West Covina Municipal Code. The Agency's scope of review shall be to insure consistency with said Code and to the approved Basic Concept Drawings.

During the preparation of all drawings and plans, the Agency and the Developer shall hold regular progress meetings to coordinate the preparation of, submission to, and review of construction plans and related documents by the Agency. The Agency and the Developer and its approved assignees shall communicate and consult informally as frequently as is necessary to insure that the formal submittal of any documents to the Agency can receive prompt and speedy consideration.

If any revisions or corrections of plans approved by the Agency shall be required by any government official, agency, department or bureau having jurisdiction based upon requirements of the codes or regulations applicable to that jurisdiction or any lending institution involved in financing, the Developer and the Agency shall cooperate in efforts to develop a mutually acceptable alternative.

### 3.4 Agency Approval of Plans, Drawings, and Related Documents

Subject to the terms of this Agreement, the Agency shall have the right of exterior architectural review of all plans and submissions, including any substantial changes therein.

Prior to approval of the Basic Concept Drawings, Agency review and approval shall include but not be limited to (1) aesthetic features, (2) landscaping (3) traffic circulation and (4) functional interrelationship with adjacent properties. After approval of the Basic Concept Drawings, Agency review shall be limited to insuring conformity with the Basic Concept Drawings and the requirements of the City. Any matter once approved may not be subsequently disapproved.

The Agency shall approve or disapprove the plans, drawings, and related documents referred to in Sections 3.2 through 3.5 of this Agreement within the times established in the Schedule of Performance. Failure by the Agency to either approve or disapprove within the times established in

the Schedule of Performance shall be deemed an approval. Any disapproval shall state in writing the reasons for disapproval. The Developer upon receipt of a disapproval based upon powers reserved by the Agency hereunder, shall revise the portions of the plans and drawings which are disapproved and related documents and resubmit to the Agency as soon as possible after receipt of the notice of disapproval.

If the Developer desires to make any substantial change in the construction plans after their approval by the Agency, the Developer shall submit the proposed change to the Agency for its approval. If the construction plans, as modified by the proposed change, conform to the requirements of the approved Basic Concept Drawing and the Scope of Development, the Agency shall approve the proposed change and notify the Developer in writing within five (5) business days after submission to the Agency. Such change in the construction plans shall, in any event, be deemed approved by the Agency unless rejected, in whole or in part, by written notice thereof by the Agency to the Developer setting forth in detail the reasons therefor, and such rejection shall be made within said five (5) business day period.

Agency hereby approves the final plans for the Renovation dated November 21, 1988.

### Section 3.5 Construction of Public Improvements

In view of the need to mitigate the harmful effects of too many contractors working on the Site without coordination, the Agency shall retain Developer as the construction manager for the development of the Public Improvements described below. Such retention shall be on the following basis:

(a) Developer shall coordinate all work required to construct the Public Improvements. Such work shall include the demolition of all improvements within the Expansion Area (including buildings, foundations, utility lines and related facilities, pavement, sidewalks and curbs), the relocation of utility lines not relocated by utilities, site grading, plan preparation, and all construction of Public Improvements required for the Project, whether on-site or off-site, except for street realignment as provided in Subparagraph (b) below.

(b) Developer shall select and hire the architects, engineers and contractors from a list approved by the Agency to construct the Public Improvements provided Agency shall construct or cause to be constructed the street realignment work described in Section 2.2.

(c) The costs of the work described in Subparagraphs (a) and (b) above, except for street realignment work described in Section 2.2, shall be advanced by Agency to Developer pursuant to Exhibit 8, Construction Management Agreement.

(d) Developer shall be entitled to receive, as compensation for its services under the Construction Management Agreement, reimbursement for its internal overhead costs and costs paid to third parties in performing its services under the Construction Management Agreement in an amount not to exceed the reasonable and customary cost for such services in the area as specified in the Construction Management Agreement.

(e) Developer agrees and acknowledges that its contractor and subcontractors shall be required to pay prevailing wages for construction of the Parking Facilities pursuant to Labor Code Sections 1770 to 1780. Developer agrees to cause its contractors and subcontractors involved in the work on the Public Improvements to comply with applicable requirements of law respecting payment of prevailing wages.

(f) Developer and Agency shall enter into a Construction Management Agreement in substantially the form set forth in Exhibit 8.

Section 3.6 Agency Assistance With Undergrounding of Utility Lines.

Agency shall order all utilities to relocate, at their sole expense, the lines affected by the abandonment or realignment of public streets within the Site. Agency shall use its best efforts to coordinate necessary procedures for such relocation so that relocation may be completed in a timely manner. Agency shall also use best efforts to qualify for funds under Southern California Edison Rule 20 A and B for undergrounding the existing 66KV electrical line. Concurrently with this Agreement, Agency shall enter into a Cooperation Agreement with City to implement the terms of this Section.

### Section 3.7 Schedule for Renovation.

Agency and Developer contemplate that Developer will begin construction of the Renovation on or before February 1, 1990 provided all the following events shall have occurred: (a) the approval in writing of the Renovation from Carter Hawley Hale Stores, Inc. ("Broadway"), Bullocks, Inc. ("Bullocks"), J.C. Penney Company, Inc. ("Penney") and any tenant of the Shopping Center, having the right to approve the Renovation; (b) the approval of the Project in writing from the holder of the Deed of Trust encumbering the Site; and (c) the execution of written construction contracts for the Renovation providing either for a fixed price or a guaranteed maximum price for the Renovation satisfactory to Developer. Developer agrees that the aggregate amount of the contracts for construction of the Renovation (excluding costs of design, financing and other "soft" costs) shall be not less than Eight Million Dollars (\$8,000,000.00) and agrees to provide the Agency with a set of the final plans and specifications for the Renovation for information purposes only.

### Section 3.8 Schedule for Expansion and Public Improvements.

The Agency and the Developer further contemplate that Developer will begin construction of the Expansion and the Public Improvements not later than sixty days after the Agency acquires the Expansion Area and conveys the Developer Parcel to Developer but Developer shall not be required to commence such construction earlier than February 1, 1990, provided that all of the following events shall have occurred: (i) Broadway, Bullocks, Penney, and May Co. shall have given their written approval of the Expansion; (ii) the holder of the deed of trust encumbering the Site shall have given its written approval of the Expansion; and (iii) Developer shall have entered into written construction contracts for the Expansion and the Public Improvements, which contracts shall provide for a fixed price or a guaranteed maximum price satisfactory to Developer. The estimated time for construction of the Expansion is sixteen months.

### Section 3.9 Completion of Development.

After the conveyance of title and immediately upon obtaining all entitlements requisite to commencement of construction, the Developer shall promptly begin and thereafter diligently prosecute to completion all



construction of the improvements constituting the Scope of Development in accordance with the Schedule of Performance subject to Section 6.3.

Section 3.10 Indemnity and Insurance.

A. The Developer shall defend, indemnify, assume all responsibility for and hold the Agency and the City, and their respective elected and appointed officers and employees, harmless from all liability, costs (including attorneys fees and costs), claims, demands or judgments for injury or damage to property and injuries to persons, including death, which may be caused by any of the Developer's activities under this Agreement, whether such activities or performance thereof be by the Developer or anyone directly or indirectly employed or contracted with by the Developer and whether such damage shall accrue or be discovered before or after termination of this Agreement.

B. Not in derogation of the indemnity provisions of Paragraph A of this Section, the Developer shall take out and maintain during the life of this Agreement, a comprehensive liability policy in the amount of at least Two Million Dollars (\$2,000,000) for any person, Five Million Dollars (\$5,000,000) for any occurrence, and One Million Dollars (\$1,000,000) property damage naming the City and Agency as additional insureds.

C. The Developer shall furnish a certificate of insurance signed by an authorized agent of the insurance carrier setting forth the general provisions of the insurance coverage. This certificate of insurance shall name the City and the Agency (including their respective officers, agents, and employees) as additional insureds under the policy. The certificate of insurance shall contain a statement of obligation on the part of the carrier to notify the Agency by certified mail of any modification, cancellation or termination of the coverage at least thirty (30) days in advance of the effective date of any such modification, cancellation or termination. Coverage provided hereunder by the Developer shall be primary insurance and not contributing with any insurance maintained by the Agency or City, and the policy shall contain such an endorsement. The required certificate shall be filed with the Agency prior to commencement of construction.

D. The Developer shall also furnish or cause to be furnished to the Agency evidence satisfactory to the Agency that any contractor with whom it has contracted for

the performance of work on the Site or otherwise pursuant to this Agreement carries workers' compensation insurance as required by law.

E. The insurance obligations set forth in this Section shall remain in effect only until a final Certificate of Completion has been furnished for all of the improvements as hereafter provided in this Agreement.

### Section 3.11 City and Other Governmental Agency Permits

A. Before commencement of construction or development of any buildings, structures or other work of improvement the Developer shall, at its own expense, secure or cause to be secured any and all permits which may be required by the City and any other governmental agency having jurisdiction as to such construction, development or work. The Agency shall provide all proper assistance to the Developer in securing these permits.

B. The Developer assumes all responsibility for taking all actions necessary to comply with the Subdivision Map Act (Government Code § 66410, et seq.) and local subdivision enactments related thereto in order to comply with the Scope of Development. It is understood that the Developer Parcel will be conveyed to the Developer and a portion thereof to the May Co. prior to the approval and recordation of a final parcel or subdivision map, but Developer agrees to process such map diligently so that the same can be approved and recorded within a reasonable period following such conveyance.

C. The Agency and the City shall assist Developer in obtaining all governmental approvals required for the Project. Such assistance shall include informing the Developer of the various procedures to be followed in obtaining such approvals, coordinating the procedures with all applicable city departments and affirmatively supporting the application by Developer for such approvals so long as such applications are consistent with the terms of this Agreement. The assistance to be provided by the Agency and the City pursuant to this paragraph shall be given with the objectives of obtaining such approvals on a timely basis and preserving the financial viability of the Project. Without limitation of the foregoing, the Agency and the City shall assist Developer in (a) preparing, distributing and obtaining a Notice of Determination of an Environmental Impact Report for the Project (b) obtaining the approval of the Project by the City's Planning Commission; and (c) obtaining a building permit for the Project. The Developer

shall reimburse the Agency for the reasonable costs paid by the Agency to third party consultants in connection with this Paragraph, provided that the Developer shall have approved such costs in advance.

#### Section 3.12 Rights of Access

A. For the purpose of assuring compliance with this Agreement, representatives of the Agency shall have the right of access to the Site, without charges or fees, at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the improvements, so long as they comply with all safety rules. Such representatives of the Agency shall be those who are so identified in writing by the Assistant Executive Director of the Agency.

B. The Developer and the Agency agree to cooperate in placing and maintaining on the Site during the period of construction of the Expansion, one sign indicating the respective roles of the Developer and the Agency in the Project. The cost of the sign shall be borne solely by the Developer. The Developer may additionally erect and maintain signs pertaining to the leasing of the Site, which may be maintained for a reasonable period of time to initially accomplish its leasing purpose. Nothing herein shall be deemed to prohibit the maintenance by Developer of any sign permitted by the applicable provisions of the West Covina Municipal Code.

C. The Agency agrees to cooperate with the Developer in facilitating access by the Developer to the Site for construction purposes, provided that the Agency shall incur no financial obligations therefor.

#### Section 3.13 Local, State and Federal Laws

The Developer shall carry out the provisions of this Agreement in conformity with all applicable local, state and federal laws and regulations.

#### Section 3.14 Antidiscrimination During Construction

The Developer, for itself and its successors and assigns, agrees that in the construction of the improvements provided for in this Agreement, the Developer shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, marital status, handicap, national origin or ancestry.

Section 3.15 Taxes, Assessments, Encumbrances and Liens

The Developer shall pay when due all real estate taxes and assessments on the Developer Parcel and levied subsequent to a conveyance of title to the Developer Parcel. Prior to issuance of a Certificate of Completion pursuant to this Agreement, the Developer shall not place or allow to be placed on the Site or any part thereof any mortgage, trust deed, encumbrance or lien other than as expressly allowed by this Agreement. The Developer shall remove or have removed any levy or attachment made on any of the Developer Parcel or any part thereof, or assure the satisfaction thereof within a reasonable time but in any event prior to a sale thereunder. Nothing herein contained shall be deemed to prohibit the Developer from contesting the validity or amounts of any tax assessment, encumbrance or lien, nor to limit the remedies available to the Developer in respect thereto.

Section 3.16 Prohibition Against Transfer of the Site, the Buildings or Structures Therein and Assignment of Agreement

Prior to the issuance of a Certificate of Completion pursuant to this Agreement as to any building or structure, the Developer shall not without prior approval of the Agency, make any total or partial sale, transfer, conveyance, assignment or lease of the Developer Parcel except as permitted by this Agreement. This prohibition shall not be deemed to prevent the granting of temporary or permanent easements or permits to facilitate the development of the Site or to prohibit or restrict the leasing of any part or parts of a building or structure for a term commencing upon completion. Notwithstanding the foregoing, Developer shall have the right, without approval of the Agency and prior to issuance of a Certificate of Completion, to convey to May Co. portions of the Site for the development of its improvements and to lease portions of the Site for Peripheral Developments in accordance with the Site Plan.

Section 3.17 Certificate of Completion

A. Promptly after Completion of all construction and development of the Site in the manner required by this Agreement, the Agency shall furnish the Developer with a Certificate of Completion upon written request therefor by the Developer. The Agency shall not unreasonably withhold any such Certificate of Completion.

Such Certificate of Completion shall be a conclusive determination of satisfactory completion of the construction required by this Agreement upon the Site and the Certificate of Completion shall so state. The Agency may also furnish the Developer with a Certificate of Completion for portions of the improvements upon the Site as they are properly completed and ready to use if the Developer is not in default under this Agreement. After recordation of such Certificate of Completion, any party then owning or thereafter purchasing, leasing or otherwise acquiring any interest therein shall not incur any obligation pursuant to this Agreement except as set forth in the Grant Deed conveying the Expansion Area to Developer.

B. A Certificate of Completion of construction for the entire improvement and development of the Site shall be in such form as to permit it to be recorded in the Recorder's Office of Los Angeles County. Certificates of Completion for less than the complete improvement and development of the Site shall not be recorded, except that separate recordable certificates shall be issued for the Renovation, the May Store and the Peripheral Developments.

C. If the Agency refuses or fails to furnish a Certificate of Completion for the Site, or part thereof, after written request from the Developer, the Agency shall, within thirty (30) days of written request therefor, provide the Developer with a written statement of the reasons the Agency refused or failed to furnish a Certificate of Completion. The statement shall also contain Agency's opinion of the actions the Developer must take to obtain a Certificate of Completion. If the reason for such refusal is confined to the immediate availability of specific items of materials for landscaping, the Agency shall issue its Certificate of Completion upon the posting of a bond by the Developer with the Agency in an amount representing a fair value of the work not yet completed. If the Agency shall have failed to provide such written statement within said thirty (30) day period, the Developer shall be deemed entitled to the Certificate of Completion.

D. Such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of any mortgage, or any insurer of a mortgage securing money loaned to finance the improvements, or any part thereof. Such Certificate of Completion is not a notice of Completion as referred to in the California Civil Code, Section 3093.

ARTICLE IV  
FINANCINGSection 4.1 Public Financing - General

In order to enhance the financial viability of the Project, the Agency agrees to use its best efforts to provide tax-exempt financing ("Public Financing") for the costs of development described in Section 4.2 of this Agreement. Such Public Financing may be provided through one or more transactions, which will be selected by the Agency and approved by the Developer. Agency agrees not to sell the bonds authorized by the Public Financing until such time as the sale is approved in writing by the Developer in its sole discretion. (Developer's vote approving the Public Financing shall not be construed as an approval of sale of the bonds.) Agency and Developer will expedite the selection and implementation of the Public Financing transactions so that the proceeds therefrom shall be available for land acquisition and other permitted uses at the earliest possible time. The Public Financing shall comply with the parameters described in Section 4.3 of this Agreement and shall be governed by the rules and mechanics stated in Exhibit 9, attached hereto.

Section 4.2 Costs to be Financed

A. The costs of the Project to be financed through the Public Financing shall include the following, with available proceeds applied in the following order of priority:

1. the costs of acquiring all land within the Expansion Area, other than the Developer Parcel, the Purchase Price for which shall be paid by the Developer;

2. all other costs paid by the Agency to acquire the Expansion Area (excluding the Developer Parcel), provided that such costs are approved by Developer pursuant to this Agreement; such costs may include, without limitation, the approved costs paid to Existing Tenants for relocation, goodwill, inventory, fixtures and equipment, and the costs of attorneys' fees and appraisals incurred in acquiring parcels within the Expansion Area through negotiation or eminent domain proceedings;

3. the costs of demolishing all improvements and capping all utility lines within the Expansion Area (excluding the Developer Parcel);

4. attorneys' fees (other than bond counsel) incurred by the Agency and by Developer (not exceeding \$100,000 for each party) in connection with the Public Financing and acquisition of the portions of the Expansion Area upon which the Public Improvements are to be constructed;

5. the costs of the Public Improvements up to a sum equal to the amount, if any, by which the Purchase Price, computed in accordance with Section 2.5.A., exceeds Seven Million Dollars (\$7,000,000.00);

6. the costs not paid by utilities for relocating and/or undergrounding utilities as required for the Public Improvements; and

7. the costs of any other Public Improvements (on or off site) with a useful life of five (5) years or more and not on the Developer Parcel, provided that no portion of the debt service for financing the costs described in this clause 7 shall be paid from the sources described in Sections 4.5 or 4.9.

B. The Agency and Developer will cooperate to ensure that the Public Financing is sufficient to pay for all such costs plus the costs and other requirements of the Public Financing subject to underwriting limitations.

C. The proceeds of the Public Financing shall not be used for the costs of acquisition, relocation, or demolition of any land for the Developer Parcel or for any improvements on the Developer Parcel, and the Developer Parcel shall be acquired by Developer for the Purchase Price stated in Section 2.5.A.

Section 4.3 Parameters of Public Financing

A. The Public Financing shall comply with the following parameters:

1. the final maturity for the Public Financing shall be approximately thirty-three (33) years from the estimated date of issuance of the Public Financing;

2. the Public Financing shall provide for capitalized interest for the first twenty-four (24) months, payments of interest only for the next thirty-six (36) months thereafter, and amortization of principal in full over the remaining term and debt service of the Public Financing shall be graduated; and

3. the Public Financing shall not prohibit the sale by Developer or its constituent partners of their interests in the Project after completion of the Expansion.

B. As used in Sections 4.1 through 4.9, the term "fiscal year" shall mean the fiscal year of the Agency commencing each July 1 and terminating each June 30.

Section 4.4 Minimum Special Tax.

A. Through the fiscal year 2001, the minimum special tax (hereinafter "Minimum Special Tax") assessed for debt service for the Public Financing shall be the following annual amounts.

<u>Fiscal Year</u>	<u>Minimum Special Tax</u>
1991-92	\$ 689,000
1992-93	877,000
1993-94	1,065,000
1994-95 through 2000-01	\$1,128,000 per year

B. The amount of Minimum Special Tax shall be increased in year 2001-02 and every five years thereafter in proportion to the increase in average minimum rents received by Developer in such years, using 1991-92 as a base; in no event, however, shall the amount of the Minimum Special Tax exceed the following amounts (subject to Section 4.4.D.):

<u>Five Year Period Commencing</u>	<u>Revised Minimum Special Tax</u>
2001-02	\$1,241,000
2006-07	\$1,365,000
2011-12	\$1,501,000
2016-17	\$1,650,000
2021-22	\$1,815,000



C. By May 31, 2001 and by May 31 of each fifth year thereafter Developer shall submit to Agency a certification verifying the increase in the average minimum rents received by Developer as described herein. Such certification shall show how such amount was calculated and shall provide the data upon which such amount was calculated. The certification and the amount of increase shall be subject to audit by the Agency.

D. The Minimum Special Tax shall be adjusted as provided in Exhibit 9 if any proceeds of the Public Financing are used for purposes described in Section 4.2.A.7.

Section 4.5 Agency's Obligations Toward Debt Service.

A. The Agency shall contribute the following sums (the "Agency Contributions") towards the debt service on the Public Financing:

1. The sum of \$350,000 per year in fiscal years 1990-91 through 1994-95 from the sources described in Section 4.9 of this Agreement;

2. 100% of the ad valorem real property and personal property taxes (including taxes on improvements by occupants) received by the Agency from the Shopping Center Site as a result of the Project (and any annual escalations thereof) and as a result of any remodeling by Broadway, Bullocks or Penney that may be commenced between the date of this Agreement and one year after the opening for business of the Expansion (but not the incremental amounts of any annual escalations of current taxes permitted by Article XIII A, Section 2(b) of the California Constitution upon the Broadway Tract, the Bullock's Tract or the Penney Tract). so long as the Public Financing has not been repaid in full; the Agency's contribution under this Paragraph shall not include any incremental taxes received as a result of a reappraisal due to a transfer of ownership or new construction after completion of the Expansion and any Peripheral Developments, except as provided above;

3. Eighty-five percent (85%) of the sales and use taxes received by the City or the Agency from the Shopping Center Site for fiscal years 1989-90 through 2004-05, and thereafter 70% of such

sales and use taxes so long as the Public Financing has not been repaid in full, but only to the extent such sales and use taxes exceed the "Sales Tax Increment Base" (as such term is hereinafter defined). For purposes of this Agreement, "Sales Tax Increment Base" shall mean the sum of (i) the total amount of sales and use taxes received by the City or the Agency from the businesses located upon the Developer Tract, the Broadway Tract, the Bullock's Tract and the Penney Tract during the calendar year 1987, plus (ii) beginning as of the opening of a new May Co. department store on the Shopping Center Site, a sum equal to the sales tax that the City would receive on sales of twenty million dollars (\$20,000,000) (which sum shall be prorated for the year the May Co. store opens for business, based upon the number of days that May Co. is open for business during such year).

B. Notwithstanding anything to the contrary contained in this Section, the Developer shall pay to the Agency (or the Agency may retain) out of the first available proceeds from the sources described in subparagraphs A.1., 2. and 3 above, but no later than May 1 of each applicable year, the following sums:

<u>Fiscal Year</u>	<u>Amount</u>
<u>1989-90</u> <u>90-91</u>	\$ 400,000
<u>1990-91</u> <u>91-92</u>	<del>±67,000</del> <u>200,000</u>
<u>1991-92</u> <u>92-93</u>	<del>±67,000</del> <u>200,000</u>
<u>1992-93</u> <u>93-94</u>	<del>±67,000</del> <u>200,000</u>
<u>1993-94</u> <u>94-95</u>	<del>±67,000</del> <u>200,000</u>
<u>1994-95</u> <u>95-96</u>	<del>±67,000</del> <u>200,000</u>
<u>1996-97</u> <u>96-97</u>	<del>365,000</del> <u>200,000</u>
<u>1997-98</u>	<u>200,000</u>
<u>1998-99</u>	<u>200,000</u>
<u>1999-2000</u>	<u>200,000</u>
	<u>\$2,200,000</u>

C. In the event there is not sufficient revenue in any fiscal year from the sources described in Section 4.4 and subparagraphs A., 1., 2. and 3. of this Section to pay to the Agency the amounts provided in Section 4.5.B., the deficit shall be advanced by the Developer out of its own funds, provided that the amount of any such advance shall be repaid to Developer in accordance with the provisions of Sections 4.6 and 4.7.

D. The sums described in Paragraphs A.1. through A.3., inclusive, of this Section shall be the sole and only funds which the Agency shall be required to contribute to debt service on Public Financing. The amount of sales and use taxes received by the City or the Agency which exceed the debt service obligation described in Paragraph A.3 of this Section may be used by the Agency or the City for any purpose and shall not be available for debt service or repayment of Developer Advances as defined in Section 4.6 hereof.

#### Section 4.6 Developer Advances

A. In the event that the first installment of the special taxes (the "Special Taxes") levied to pay the debt service on the Public Financing in any fiscal year exceeds 50% of the Minimum Special Tax provided in Section 4.4 for that fiscal year (including any adjustment to the Minimum Special Tax as provided in Exhibit 9), such excess shall constitute an advance by Developer ("Developer Advance") deemed made as of December 1 of such fiscal year. In the event that the second installment of the Special Tax levy in any fiscal year exceeds 50% of the Minimum Special Tax provided in Section 4.4 for that fiscal year (including any adjustment to the Minimum Special Tax as provided in Exhibit 9), such excess also shall constitute a Developer Advance, deemed made as of April 1 of such fiscal year. Developer Advances shall accrue interest from date made at a rate of 10% per annum, compounded annually on each April 1. Such interest shall be calculated on a 360-day year basis. Developer Advances shall be repaid out of the Repayment Fund described in Section 4.7.

B. In the event the Developer collects an amount in excess of the Minimum Special Tax from its tenants for any fiscal year for the stated purpose of paying the Special Tax levied to pay debt service on the Public Financing, the amount of any Developer Advances for such fiscal year shall be reduced by the amount of such excess. Developer shall furnish to Agency within ninety (90) days after the end of each calendar year a certificate showing the amount of the Special Tax collected from its tenants for each fiscal year.

#### Section 4.7 Repayment Fund

A. If in any year the total of the Minimum Special Tax and Agency Contributions exceeds the annual debt service on the Public Financing, the excess shall be paid, as provided in Exhibit 9, into a separate interest-bearing escrow account (the "Repayment Fund"). The Agency hereby

establishes the Repayment Fund. Agency shall control the disbursement of funds from the Repayment Fund in accordance with the terms of this Agreement. Agency shall invest the funds in accordance with the "City of West Covina Investment Policy," as such policy exists or may be amended.

B.

1. The Agency shall repay principal of and interest on Developer Advances from available funds in the Repayment Fund. The Developer Advances shall be repaid by the Agency only from available funds in the Repayment Fund, which amounts are hereby pledged to repay Developer Advances.

2. All cash amounts in the Repayment Fund on October 1 of each fiscal year shall be used by the Agency to repay any outstanding Developer Advances on such date. All cash in the Repayment Fund on June 1 of such fiscal year, less the amount of the debt service payment on the Public Financing due the following September 1, shall be used by the Agency to repay any outstanding Developer Advances on such date. Funds used to repay Developer Advances shall be first applied to accrued interest on Developer Advances, and second to outstanding principal. The Agency shall calculate the total amount of Developer Advances outstanding, including the amount of any accrued interest thereon, on April 1, June 1, October 1 and December 1 of each fiscal year, and shall provide notice of the amount so determined to the Developer.

C. The Agency may in its discretion apply all or any portion of the amounts in the Repayment Fund on October 1 of any fiscal year to prepay the principal balance due under the Public Financing; provided that i) there are no outstanding Developer Advances, ii) there are no Developer Advances expected to occur in such fiscal year, and iii) the Agency will not incur any prepayment premium as a consequence of such prepayment of principal. If the Agency determines to make any such prepayment, the Agency shall transfer the applicable funds in the Repayment Fund to the Fiscal Agent for the Public Financing with direction to apply such funds for such purpose.

D. Any funds in the Repayment Fund used to prepay principal of the Public Financing shall not, in any event, reduce the amount of the A.7. Public Improvements Debt Service Payments determined pursuant to Exhibit 9. The

Agency shall notify the Fiscal Agent for the Public Financing at the time of a fund transfer from the Repayment Fund made pursuant to this Section of the A.7. Public Improvements Debt Service Payment principal component for each scheduled principal payment date, and that such fiscal agent is not to prepay principal of the Public Financing with such funds such that the remaining debt service of the Public Financing is less than the remaining A.7. Public Improvements Debt Service Payment. The provisions of this Section shall not prevent Developer from prepaying the A.7. Public Improvements Debt Service Payments from sources other than the Repayment Fund.

#### Section 4.8 Termination of Agency Contributions

If the outstanding principal and accrued interest due under the Public Financing, other than that attributable to the A.7. Public Improvements Debt Service Payments, has been paid in full, then the obligations of the Agency under Section 4.5 hereof shall terminate.

Section 4.9 Park & Ride Agreement. The Agency and Developer acknowledge that it will be necessary, in order to consummate the Public Financing, for Agency to lease parking spaces to the City for a park and ride facility ("Park & Ride Spaces") in a manner approved by the Los Angeles County Transportation Commission ("LACTC"). The Agency promptly will negotiate and use its best efforts to enter into an agreement (the "Park & Ride Agreement") with the City for the rental of 350 Park & Ride Spaces and obtain the approval thereof by LACTC. The rent for the Park & Ride Spaces shall be not less than \$1,000 per space per year for five (5) years. The terms of the Park & Ride Agreement (including, without limitation, the location of the Park & Ride Spaces on the Shopping Center Site) shall be approved by the LACTC, the Agency, the City and the Developer. The parties acknowledge that an amendment to the REA may be necessary in order to permit this use of the Shopping Center Site. Concurrently with this Agreement, Agency shall enter into a Cooperative Agreement with City to implement the terms of this Section.

#### Section 4.10 Agency Sales Tax Ordinance and Pledge of Sales Tax Revenues

On or before thirty (30) days after the date of this Agreement Agency agrees to adopt a sales tax ordinance and enter into the necessary agreement with the City for transfer of the sales tax authority relating to the Site pursuant to Revenue and Taxation Code Section 7206.6. Upon

the effective date of the transfer, that portion of the taxes received by the Agency and derived from the imposition of the Bradley-Burns Uniform Sales and Use Tax Law, commencing with Section 7200 of the Revenue and Taxation Code, arising from all business or other activity conducted upon the Site which are subject to such Sales and Use Tax Law shall be pledged to payment of Agency's obligation toward debt service as provided in Section 4.5 of this Agreement. Concurrently with this Agreement Agency shall enter into a cooperation agreement with City to implement the terms of this Section.

Section 4.11 Mortgage, Deed of Trust, Sale and Leaseback Financing; Rights of Holders

A. No Encumbrances Except Mortgages, Deeds of Trust, or Sale and Leaseback for Development

Notwithstanding any other provision of this Agreement, mortgages, deeds of trust and sales and leaseback are permitted before completion of the construction of the improvements, but only for the purpose of securing loans of funds to be used for financing the acquisition of the Developer Parcel, the construction of improvements on the Site, and any other purposes in connection with development under this Agreement. The Developer shall notify the Agency in advance of any mortgage, deed of trust or sale and leaseback financing, if the Developer proposes to enter into the same before completion of the construction of the improvements on the Site. The words "mortgage" and "trust deed" as used hereinafter shall include sale and leaseback.

B. Holder Not Obligated to Construct Improvements

The holder of any mortgage or deed of trust authorized by this Agreement shall not be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion; nor shall any covenant or any other provision in the deed for the Site be construed so to obligate such holder. Nothing in this Agreement shall be deemed to construe, permit or authorize any such holder to devote the Site to any uses or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

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C. Notice of Default to Mortgagee or  
Deed of Trust Holders; Right to Cure

With respect to any mortgage or deed of trust granted by Developer as provided herein, whenever the Agency shall deliver any notice or demand to Developer with respect to any breach or default by the Developer in Completion of construction of the improvements, the Agency shall at the same time deliver to each holder of record of any mortgage or deed of trust authorized by this Agreement a copy of such notice or demand. Each such holder shall (insofar as the rights of the Agency are concerned) have the right, at its option, within ninety (90) days after the receipt of the notice, to cure or remedy or commence to cure or remedy any such default and to add the cost thereof to the mortgage debt and the lien of its mortgage. Recordation of a notice of default or commencement of foreclosure proceedings shall constitute commencement of such cure. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or Completion of the improvements (beyond the extent necessary to conserve or protect the improvements or construction already made) without first having expressly assumed the Developers obligations to the Agency by written agreement satisfactory to and with the Agency. The holder, in that event, must agree to complete, in the manner provided in this Agreement, the improvements to which the lien or title of such holder relates, and submit evidence satisfactory to the Agency that it has the qualifications and financial responsibility necessary to perform such obligations. Any such holder properly completing such improvement shall be entitled, upon compliance with the requirements of Section 3.17 of this Agreement, to a Certificate of Completion (as therein defined).

D. Failure of Holder to Complete  
Improvements

In any case where, six (6) months after default by the Developer in Completion of construction of improvements under this Agreement, the holder of any mortgage or deed of trust creating a lien or encumbrance upon the Site or any part thereof has not exercised the option to construct, or if it has exercised the option and has not proceeded diligently with construction, the Agency may purchase the mortgage or deed of trust by payment to the holder of the amount of the unpaid mortgage or deed of trust debt, including principal and interest and all other sums secured by the mortgage or deed of trust. If the ownership of the Site or any part thereof has vested in the holder, the

Agency, if it so desires, shall be entitled to a conveyance from the holder to the Agency upon payment to the holder of an amount equal to the sum of the following:

1. The unpaid mortgage or deed of trust debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);
2. All expenses with respect to foreclosure;
3. The net expense, if any (exclusive of general overhead), incurred by the holder as a direct result of the subsequent management of the Site or part thereof;
4. The costs of any improvements made by such holder; and
5. An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by the Agency.

E. Right of the Agency to Cure Mortgage or Deed of Trust Default

In the event of a mortgage or deed of trust default or breach by the Developer prior to the Completion of the construction of the improvements on the Site or any part thereof and the holder of any mortgage or deed of trust has not exercised its option to construct, the Agency may cure the default. In such event, the Agency shall be entitled to reimbursement from the Developer of all costs and expenses incurred by the Agency in curing such default. The Agency shall also be entitled to record a lien upon the Site to the extent of such costs and disbursements. Any such lien shall be subject to existing mortgages or deeds of trust.

F. Right of the Agency to Satisfy Other Liens on the Site After Title Passes

After the conveyance of title and prior to the Completion of construction, and after the Developer has had a reasonable time to challenge, cure or satisfy any liens or



encumbrances on the Site, the Agency shall have the right to satisfy any such liens or encumbrances, provided, however, that nothing in this Agreement shall require the Developer to pay or make provision for the payment of any tax, assessment, lien or charge, so long as the Developer in good faith shall contest the validity or amount thereof, and so long as such delay in payment shall not subject the Site to forfeiture or sale.

## ARTICLE V USE OF THE SITE

### Section 5.1 Uses

The Developer covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Site or any part thereof, that during construction and thereafter for a period of thirty (30) years following the recordation of a Certificate of Completion for the Site, the Developer, and such successors and such assignees, shall devote the Site to use as a regional shopping center (including the Peripheral Developments) in accordance with the Scope of Development.

### Section 5.2 Covenants for Non-Discrimination

The Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, handicap, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall the Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Site.

The Developer shall refrain from restricting the rental, sale or lease of the Site on the basis of race, color, creed, religion, sex, marital status, handicap, national origin or ancestry of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

- A. In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all

persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, handicap, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

- B. In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, handicap, ancestry or national origin in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased."

- C. In contracts: "There shall be no discrimination against or segregation of, any person, or group of persons on account of race, color, creed, religion, sex, marital status, handicap, ancestry or national origin, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her,

establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the premises."

The covenants established in this Section and the deeds shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Agency, its successors and assigns, the City and any successor in interest to the Site or any part thereof. The covenants, contained in this Section and the Grant Deed shall remain in perpetuity.

### Section 5.3 Maintenance Covenants

Subsequent to the issuance of a Certificate of Completion, the Developer, and all successors and assigns in interest to the Site, shall be obligated to maintain the Site, and all improvements situated thereon, in a continuous state of good repair.

### Section 5.4 Effect of Violation of the Terms and Provisions of this Agreement After Completion of Construction

The Agency is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land, for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. The Agreement and the covenants shall run in favor of the Agency, without regard to whether the Agency has been, remains or is an owner of any land or interest therein in the Site or in the Project Area. The Agency shall have the right, if the Agreement or covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and covenants may be entitled. Notwithstanding anything to the contrary contained herein, after recordation of the Certificate of Completion described in Section 3.17, the Agency's rights respecting the property described in such certificate shall be as set forth in the Grant Deed conveying the Developer Parcel to Developer, which shall supercede this Agreement following such recordation.

### Section 5.5 Continuation of Covenants

Of the covenants which have been established pursuant to this Agreement, the same shall be deemed to be covenants running with the land binding upon Developer and its successors and assigns. Covenants relating to construction of improvements on the property shall expire upon the issuance by Agency of a Certificate of Completion or Certificates of Completion as to the entire Site. Covenants relating to the use and maintenance of the Expansion Area and improvements thereon shall expire at the end of the thirtieth (30th) year following issuance of a Certificate of Completion or Certificates of Completion for the entire Expansion Area. The covenants against discrimination contained in Section 5.2 shall remain in perpetuity. The covenants described herein shall only apply to and obligate Developer with respect to acts or omissions which occur while Developer owns an interest in the Developer Parcel. No obligation imposed upon the successors shall obligate Developer in the event they or any of them breach any such obligations. Developer shall be obligated solely for any breach which Developer itself commits, and not for that of others.

## ARTICLE VI GENERAL PROVISIONS

### Section 6.1 Notices, Demands and Communications Among the Parties

Written notices, demands and communications among the Agency and the Developer shall be sufficiently given by personal delivery service or dispatched by registered or certified mail, postage prepaid, return receipt requested, to the addresses of the Agency or the Developer described in Section 1.4. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section 6.1. Notwithstanding anything to the contrary contained herein, notice personally delivered shall be deemed to have been received as of the date of such delivery, and notices served by mail shall be deemed to have been received five (5) days following deposit of the same in the U.S. Mail, postage prepaid.

### Section 6.2 Conflicts of Interest

No member, official or employee of the Agency shall have any personal interest, direct or indirect, in this Agreement, nor shall any member, official or employee

participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested.

The Developer warrants that it has not paid or given and will not pay or give any officer, employee or agent of the City or Agency any money or other consideration for obtaining this Agreement.

### Section 6.3 Enforced Delay; Extension of Times of Performance

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended, where the party relying upon the extension has acted diligently and delays or defaults are due to events beyond the reasonable control of such party such as but not limited to: war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; acts or omissions of another party; or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the mutual agreement of the Executive Director of Agency and the Developer.

### Section 6.4 Non-liability of Officials and Employees of the Agency

No member, official or employee of the Agency or the City shall be personally liable to the Developer, or any successor in interest, pursuant to the provisions of this Agreement, nor for any default or breach by the Agency (or the City).

Section 6.5 Inspection of Books and Records

Each party has the right to inspect, at reasonable times, the books and records of the other pertaining to the Site as pertinent to the purposes of this Agreement.

ARTICLE VII  
DEFAULTS AND REMEDIES

Section 7.1 Defaults -- General

Subject to the extensions of time set forth in Section 6.3, failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement. A party claiming a default (claimant) shall give written notice of default to the other party, specifying the default complained of.

Except for the failure to make payments of money when due hereunder the claimant shall not institute proceedings against the other party if the other party within fourteen (14) days from receipt of such notice, with due diligence, commences to cure, correct and/or remedy such failure or delay and shall complete such cure, correction or remedy within sixty (60) days from the date of receipt of such notice or if such cure, correction or remedy by its nature cannot be effected within such sixty (60) day period, such cure, correction or remedy is diligently and continuously prosecuted until completion thereof.

Section 7.2 Legal Actions

A. Institution of Legal Actions

Any legal actions pertaining to this Agreement must be instituted in the Superior Court of the County of Los Angeles, State of California, in an appropriate municipal court in that county, or, if federal jurisdiction exists, in the Federal District Court in the Central District of California.

B. Applicable Law

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

C. Acceptance of Service of Process

In the event that any legal action is commenced by the Developer against the Agency, service of process on the

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Agency shall be made by personal service upon the Executive Director or in such other manner as may be provided by law.

In the event that any legal action is commenced by the Agency against the Developer, service of process on the Developer shall be made by personal service upon the General Partner of the Developer and shall be valid whether made within or without the State of California or in such other manner as may be provided by law.

#### Section 7.3 Rights and Remedies Are Cumulative

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

#### Section 7.4 Inaction Not a Waiver of Default

Any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

#### Section 7.5 Damages

If either party defaults with regard to any of the provisions of this Agreement, the non-defaulting party shall serve written notice of such default upon the defaulting party pursuant to Section 7.1. If the default is not cured by the defaulting party within the time and pursuant to the requirements of Section 7.1, the defaulting party shall be liable to the other party for any damages caused by such default, and the nondefaulting party may thereafter (but not before) commence an action for damages against the defaulting party with respect to such default.

#### Section 7.6 Specific Performance

If either party defaults under any of the provisions of this Agreement, the non-defaulting party shall serve written notice of such default upon the defaulting party pursuant to Section 7.1. If the default is not cured by the defaulting party within the time and pursuant to the

requirements of Section 7.1, the nondefaulting party at its option may thereafter (but not before) commence an action for specific performance of the terms of this Agreement.

Section 7.7 Termination of Agreement Prior to Conveyance

A. By Developer

Prior to the conveyance of the Developer Parcel to the Developer, the Developer may terminate this Agreement and its obligations hereunder (subject to Paragraph D below) for any of the following reasons:

1. determination by the Agency not to adopt any required Resolution of Necessity respecting the commencement of eminent domain proceedings relating to the Expansion Parcels;
2. a final determination in eminent domain proceedings affecting any of the Expansion Parcels that the Agency does not have the right to acquire such parcel by eminent domain;
3. failure of the Agency to acquire all of the Expansion Area and to convey to Developer the Developer Parcel within six (6) months following the date of this Agreement provided, however, that Developers rights to terminate this Agreement pursuant to this Section 7.7.A.3. shall be suspended during the time Agency is in compliance with the terms of Section 2.5. of this Agreement;
4. refusal of the Agency to approve the plans as finally submitted by the Developer in accordance with Sections 3.2, 3.3 and 3.4;
5. inability of Developer to obtain a commitment from a financial institution to finance the Purchase Price and the construction of the Renovation and the Expansion on terms reasonably acceptable to Developer provided that lenders refusal is not based solely upon failure of the parties described in Section 1.8 to approve the Project and provided further that Developer may not terminate this Agreement pursuant to this clause after the date Agency has sold bonds pursuant to the Public Financing;



6. a determination by the Developer not to perform work relating to soils or to removal of toxic materials or hazardous waste pursuant to Section 2.9(C);

7. proceeds of the Public Financing have not been obtained for the purposes herein contemplated by October 15, 1989;

8. default by the Agency under this Agreement;

9. Agency does not adopt a sales tax ordinance as provided in Section 4.10;

10. Developer notifies Agency within thirty-five (35) days after the date of this Agreement that it has not received the approvals described in Section 1.8.A. or approved the relocation plan for the Post Office as set forth in Section 1.8.B.

11. Agency and City have not executed a Park and Ride Agreement in accordance with Section 4.9 which has been approved by Los Angeles County Transportation Commission within thirty (30) days after the date of this Agreement.

B. By Agency

Prior to the conveyance of the Developer Parcel to the Developer, the Agency may terminate this Agreement and its obligations hereunder (subject to Paragraph D below) for any of the following reasons:

1. A determination by the Agency not to adopt the required Resolution of Necessity respecting the commencement of eminent domain proceedings relating to the Expansion Parcels;

2. A final determination in eminent domain proceedings affecting any of the Expansion Parcels that the Agency does not have the right to acquire such parcel by eminent domain;

3. Agency disapproves soils report based upon the presence of hazardous or toxic substances or asbestos.

4. Default by Developer under this Agreement.

C. Procedure for Termination

In order to terminate this Agreement prior to the conveyance of the Developer Parcel to Developer for any reason set forth in Paragraph A or Paragraph B above, the party proposing to terminate shall deliver written notice of its election to terminate to the other party at least 30 days prior to the proposed date of termination, stating the reason for termination, and if the reason for termination has not been cured, satisfied or removed within such 30-day period, this Agreement shall terminate upon the date stated in such notice; provided that if the basis for termination is that set forth in Paragraph A1, 2, or 6, or Paragraph B1 or 3, no opportunity for the cure, satisfaction or removal of the reason for termination shall exist.

D. Consequences of Termination

In the event of termination of this Agreement in accordance with this Section 7.7, neither party shall have any rights or recourse against the other, except in the case of termination pursuant to Paragraph A.4, or A.8 or Paragraph B.4., in which event the terminating party shall be entitled to any damages or other relief in law or equity to which it may be entitled. If the Agency or Developer shall terminate this Agreement as provided in this Section, the Developer shall bear the risk of any loss and shall be entitled to any benefits resulting from the acquisition of property or execution of contracts relating thereto prior to the termination of this Agreement, and in the event the Agency has acquired any portion of the Expansion Area, the Developer shall reacquire from the Agency any property or rights to purchase previously acquired by the Agency for the amount paid by the Agency to acquire such property or rights (including, but not limited to, costs of land value, leasehold value, goodwill, fixtures and equipment, appraisal, legal, and relocation) and Agency shall take appropriate steps to cause the Public Financing to be rescinded and redeemed to the extent of unused proceeds and funds so repaid by the Developer. In the event of such termination Agency shall have no obligation to make contributions to debt service on any bonds remaining outstanding.

Section 7.8 Reentry and Revesting of Title in the Agency After Agency Conveyance

A. Following the conveyance of the Expansion Area to Developer, the Agency shall have the right, at its option, provided that it is not itself in default under this Agreement, and subject to the cure period of Section 7.1 to reenter and take possession of the Expansion Area, with all improvements thereon, and terminate and revest in the Agency the estate conveyed to the Developer if prior to the issuance of the Certificate of Completion, the Developer shall:

1. Subject to the provisions of Section 6.3, fail to start the construction of the improvements as required by this Agreement; or
2. Subject to the provisions of Section 6.3, abandon or substantially suspend construction of the improvements required by this Agreement for a period of ninety (90) days after written notice thereof from the Agency; or
3. Transfer or suffer any involuntary transfer of the Developer Parcel or any part thereof in violation of this Agreement,

B. Such right to reenter, terminate and revest shall not be exercised with respect to any portion of the Expansion Area as to which a Certificate of Completion has issued for all improvements to be constructed on such portion of the Site pursuant to this Agreement.

C. Such right to reenter, terminate and revest shall further be subject to and be limited by and shall not defeat, render invalid or limit:

1. Any mortgage, deed of trust or other conveyance, including leases to occupants, permitted by this Agreement, or the REA; or
2. Any rights or interests provided in this Agreement for the protection of the holders of such mortgages or deed of trust; or
3. Any rights or interest of any party to the REA (except Developer if it is in default hereunder); or
4. The Public Financing obligations.

D. The Grant Deed (Exhibit No. 4B) shall incorporate by reference Agency's rights as set forth in this Section 7.8.

E. Upon the revesting in the Agency of title to the Expansion Area as provided in this Section, the Agency shall, pursuant to its responsibilities under state law, use its best efforts to resell the Expansion Area as soon and in such manner as the Agency shall find feasible and consistent with the objectives of such law and of the Redevelopment Plan, as it may be amended, to a qualified and responsible party or parties (as determined by the Agency) who will assume the obligation or making or completing the improvements, or such other improvements in their stead as shall be satisfactory to the Agency and in accordance with the uses specified for such Expansion Area or part thereof in the Redevelopment Plan. Upon such resale of the Expansion Area, the proceeds thereof shall be applied:

1. First, to reimburse the Agency for all costs and expenses incurred by the Agency, including, but not limited to, any expenditures by the Agency or the City in connection with the acquisition of the Expansion Area; recapture, management and resale of the Expansion Area or part thereof (but less any income derived by the Agency from the Expansion Area or part thereof in connection with such management); all taxes, assessments and water or sewer charges with respect to the Expansion Area or part thereof which the Developer has not paid (or, in the event the Expansion Area is exempt

from taxation or assessment or such charges during the period of ownership thereof by the Agency, an amount, if paid, equal to such taxes, assessments, or charges as would have been payable if the Expansion Area were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Expansion Area or part thereof at the time of revesting of title thereto in the Agency, or to discharge or prevent from attaching or being made any subsequent defaults or acts of the Developer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or Completion of the improvements or any part thereof on the Expansion Area, or part thereof; and any amounts otherwise owing the Agency, the Developer and its successor or transferee; and

2. Second, to pay to the Developer, or its successor or transferee, the balance then remaining.

ARTICLE VIII  
SPECIAL PROVISIONS

Section 8.1 Submission of Documents to the Agency for Approval

Whenever this Agreement requires the Developer to submit plans, drawings or other documents to the Agency for approval, which shall be deemed approved if not acted on by the Agency within the specified time, said plans, drawings or other documents shall be accompanied by a letter stating that they are being submitted and will be deemed approved unless rejected by the Agency within the stated time. If there is no time specified herein for such Agency action, the Developer may submit a letter requiring Agency approval or rejection of documents within twenty (20) days after submission to the Agency or such documents shall be deemed approved.

Section 8.2 Amendments to this Agreement

The Developer and the Agency agree to mutually consider reasonable requests for amendments to this Agreement which may be made by lending institutions provided said requests are consistent with this Agreement and would not substantially alter the basic business terms included herein.

Section 8.3 Real Estate Commission

Agency shall not be liable for any real estate commission, brokerage fee or finders fee, or any similar fee, which may arise from this Agreement. Developer and Agency each represent and warrant to the other that it has not engaged any person who may be entitled to such fee and agrees to indemnify the other party, its officers and employees, from any and all costs or expenses incurred in defending or paying any such claim if made.

Section 8.4 Entire Agreement, Waivers & General

A. This Agreement is executed in duplicate originals, each of which is deemed to be an original. This Agreement includes pages 1 through 50 and Exhibits 1 through 10 (including Exhibits 4a and 4b) and constitutes the entire understanding and agreement of the parties.

B. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

C. All amendments hereto must be in writing executed by the appropriate authorities of the Agency and the Developer.

D. In any circumstance where under this Agreement either party is required to approve or disapprove any matter, approval shall not be unreasonably withheld.

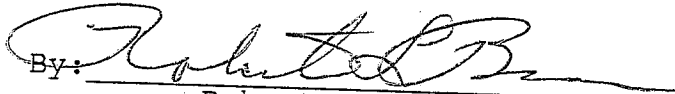
E. Both Parties are sophisticated buyers and sellers of real property and have participated in the drafting of this Agreement.

Section 8.5 Time For Acceptance Of Agreement  
By Agency

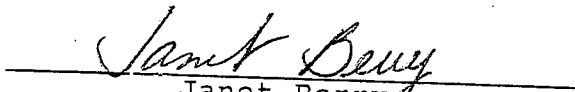
This Agreement, when executed by the Developer and delivered to the Agency, must be authorized, executed and delivered by the Agency on or before thirty (30) days after signing and delivery of this Agreement by Developer or this Agreement shall be void, except to the extent that the Developer shall consent in writing to a further extension of time for the authorization, execution and delivery of this Agreement.

IN WITNESS WHEREOF, the Agency and the Developer have signed this Agreement as of the date first written above.

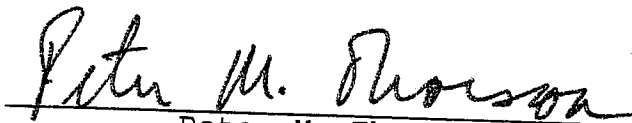
REDEVELOPMENT AGENCY OF THE  
CITY OF WEST COVINA

By:   
Robert Bacon  
Chairperson

ATTEST:

  
Janet Berry  
Secretary

APPROVED AS TO FORM:

  
Peter M. Thorson  
Counsel to the Agency

SYLVAN S. SHULMAN CO./WEST  
COVINA ASSOCIATES  
BY SYLVAN S. SHULMAN CO.,  
GENERAL PARTNER

By:   
Sylvan S. Shulman



# WEST COVINA FASHION PLAZA

PROJECT NO. 100-100-100-100  
 DATE: 10/10/00  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 APPROVED BY: [Name]

NO.	DESCRIPTION	DATE
1	PRELIMINARY SITE PLAN	10/10/00

TRIM

PRELIMINARY SITE PLAN

SCALE	DATE
1" = 100'	10/10/00

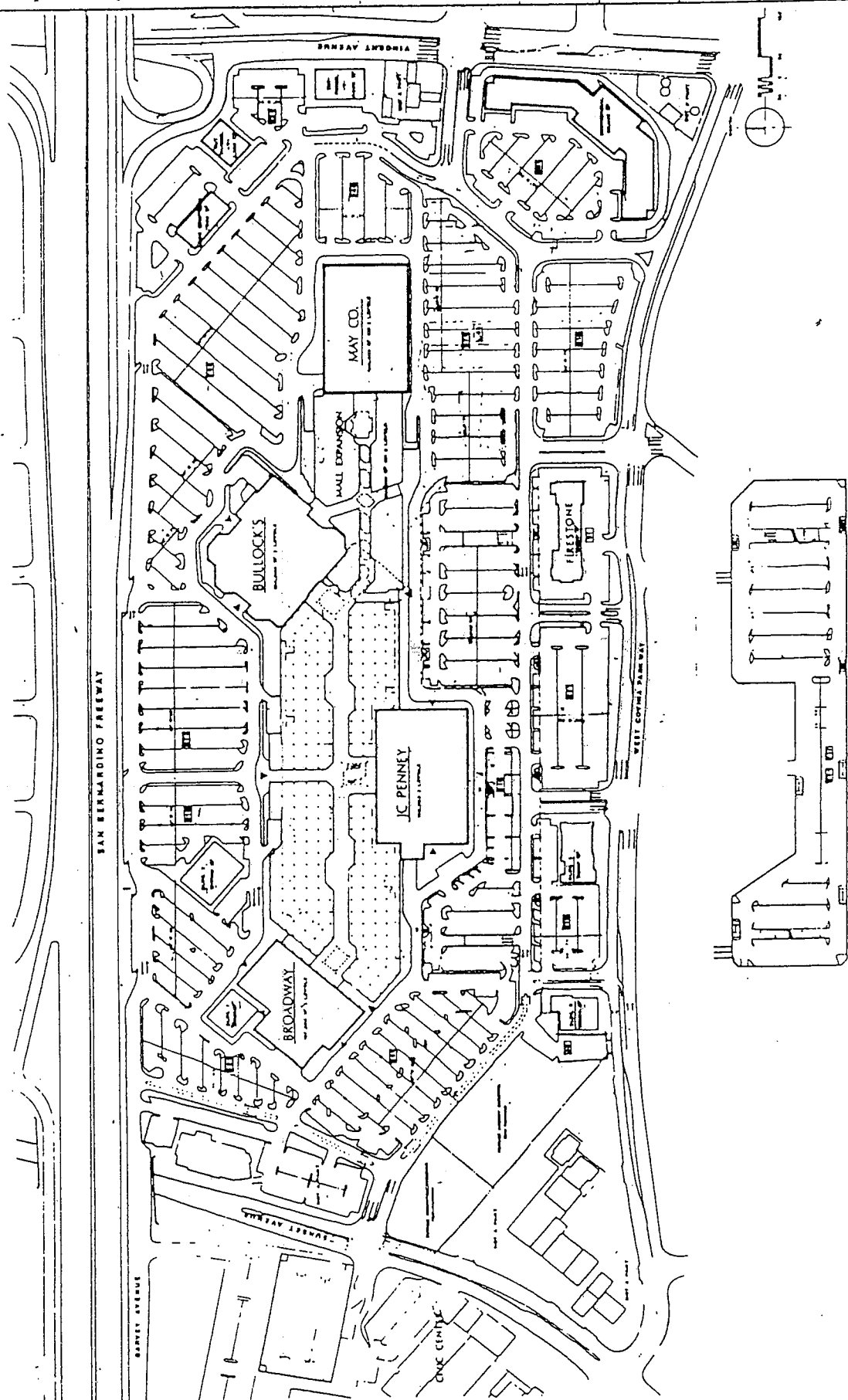


EXHIBIT NO. 1

PARKING STRUCTURE 1

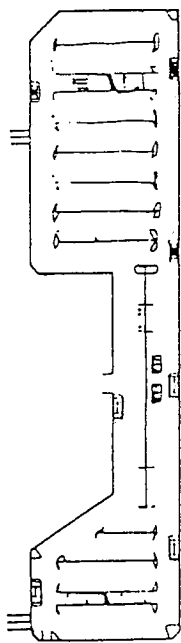


EXHIBIT NO. 2

LEGAL DESCRIPTION OF SITE

DEVELOPER TRACT:

TRACT A-1

That portion of Lots 143, 144, 154 and 155 of E. J. Baldwin's 4th subdivision of part of Rancho La Puente, in the City of West Covina, in the County of Los Angeles, State of California, as shown on map recorded in Book 8 Page 186 of Maps, in the office of the County Recorder of said County, bounded by the following described lines:

Beginning at the most westerly corner of said Lot 155; thence North  $41^{\circ} 13' 33''$  East along the northwesterly line of said Lot 155 a distance of 161.13 feet to the True Point of Beginning; thence South  $89^{\circ} 34' 50''$  East, 54.79 feet; thence South  $00^{\circ} 25' 10''$  West, 170.79 feet to a point in the northerly line of West Covina Parkway as described in deeds to the City of West Covina, recorded on April 6, 1960 as Instrument No. 1937 in Book D-805 Page 520 of said Official Records and recorded on February 18, 1963 as Instrument No. 3131 in Book D-1924 Page 296 of said Official Records; thence North  $85^{\circ} 31' 37''$  West, 3.76 feet to a point of tangency with a curve concave southerly with a radius of 4645.00 feet, a radial line to said point bears North  $04^{\circ} 28' 23''$  East; thence continuing south westerly along the northerly line of said West Covina Parkway, through a central angle of  $02^{\circ} 22' 42''$  an arc distance of 192.81 feet; thence North  $00^{\circ} 25' 10''$  East, 160.89 feet; thence South,  $89^{\circ} 34' 50''$  East, 141.52 feet to the True Point of Beginning.

TRACT A-2

That portion of Lot 155 of E. J. Baldwin's 4th subdivision of part of Rancho La Puente, in the City of West Covina, in the County of Los Angeles, State of California, as shown on map recorded in Book 8 Page 186 of Maps, in the office of the County Recorder of said County, bounded by the following described lines:

Beginning at the most westerly corner of said Lot 155; thence North  $41^{\circ} 13' 33''$  East along the northwesterly line of said Lot 155 a distance of 161.13 feet; thence South  $89^{\circ} 34' 50''$  East, 110.79 feet to the True Point of Beginning; thence continuing South  $89^{\circ} 34' 50''$  East 420.45 feet; thence South  $00^{\circ} 25' 10''$  West 203.18 feet to a point in the northerly line of West Covina Parkway as described in deeds to the City of West Covina, recorded on April 6, 1960 as Instrument No. 1937 in Book D-805 Page 520 of said Official Records and recorded on February 18, 1963 as Instrument No. 3131, in Book D-1924 Page 296 of Said Official Records, said point being on a curve concave northerly with a radius of 710.00 feet, a radial line to said point bears North  $00^{\circ} 54' 24''$  East; thence northwesterly along the northerly line of said West Covina Parkway, through a central angle of  $03^{\circ} 33' 59''$  an arc distance of 44.19 feet to the end of said curve; thence tangent to last mentioned curve and along said northerly line of said West Covina Parkway North  $85^{\circ} 31' 37''$  West, 377.24 feet; thence North  $00^{\circ} 25' 10''$  East, 174.76 feet to the True Point of Beginning.

#### TRACT A-3

That portion of Lots 144, 155 and 156 of E. J. Baldwin's 4th subdivision of part of Rancho La Puente, in the City of West Covina, in the County of Los Angeles, State of California, as shown on map recorded in Book 8, Page 186 of Maps, in the office of the County Recorder of said County, bounded by the following described lines:

BEGINNING at the most Southerly corner of said Lot 144; Thence North  $48^{\circ} 46' 34''$  West, along the Southwesterly line of said Lot 144, 386.06 feet; Thence North  $00^{\circ} 25' 10''$  East, 195.68 feet to the true point of beginning; Thence North  $00^{\circ} 25' 10''$  East 49.24 feet; Thence North  $48^{\circ} 48' 50''$  West 79.51 feet; Thence North  $41^{\circ} 11' 10''$  East 350.85 feet; Thence South  $89^{\circ} 34' 50''$  East 741.49 feet, along a line parallel with and distant Southerly 338.82 feet, measured at right angles, from the Northerly line of said Lot 144; Thence South  $41^{\circ} 11' 10''$  West 22.29 feet; Thence South  $48^{\circ} 48' 50''$  East 350.50 feet; Thence North  $41^{\circ} 11' 10''$  East 683.37 feet to the Southerly line of West Garvey Avenue, said Southerly line being parallel to and distant Southerly 67.00 feet, measured at right angles, from the Northerly line of said Lot 156; Thence South  $89^{\circ} 34' 50''$  East, along said parallel line, 307.67 feet to a point in that certain non tangent curve, concave Southwesterly, with a radius of 358.00 feet, a radial line to said curve bears South  $30^{\circ} 44' 52''$  West, said curve being in the Southwesterly boundary of the land described in the deed to the State of California, recorded in Book 44493, Page 348 of said Official Records; Thence Southeasterly along last mentioned curve through a central angle of  $00^{\circ} 07' 03''$  an arc distance of 0.73 feet to the Northwesterly line of the land described in deed to Eugene L. Wood Properties, recorded on April 26, 1957, as Instrument No. 338, in Book 54329, Page 82 of said Official Records; Thence along the

Northwesterly line of said land of Eugene L. Wood, South 41° 13' 55" West 333.46 feet; Thence South 48° 46' 18" East 402.24 feet to the Northwesterly line of California Avenue, said line being parallel to and distant Northwesterly 36.00 feet measured at right angles, from the centerline of said California Avenue, Thence South 41° 13' 23" West, along said parallel line, 850.98 feet to the beginning of a tangent curve concave Northwesterly and having a radius of 15.00 feet, being the most Easterly corner of the land described in the deed recorded July 12, 1960, in Book D-907, Page 777 of Official Records; Thence Southwesterly along the Northerly line of said last mentioned land, along said 15 foot radius curve, a distance of 13.94 feet, and North 85° 31' 37" West 7.99 feet to the most Easterly corner of the land described in the deed recorded September 30, 1960, in Book D-992, Page 395, Official Records; Thence along the Southerly line of said last mentioned land, North 85° 31' 37" West 34.65 feet to the most Westerly corner thereof; Thence along the Northerly line of the land described in the deed recorded April 6, 1960, in Book D-805, Page 512, Official Records, recited as having a course of "North 84° 52' 00" West 159.74 feet," North 85° 31' 37" West, 100.61 feet to a point South 85° 31' 37" East 59.13 feet from the Westerly terminus of said last mentioned course; Thence North 00° 25' 10" East 161.62 feet; Thence North 89° 34' 50" West 255.17 feet; Thence South 00° 25' 10" West 167.48 feet to a point on the last mentioned Northerly line of West Covina Parkway; Thence South 82° 17' 43" West, along said Northerly line, 0.63 feet to the beginning of a tangent curve concave Northerly and having a radius of 710.00 feet; Thence Westerly along said curve, through a central angle of 04° 05' 20" and an arc length of 50.67 feet; Thence North 00° 25' 10" East 201.44 feet; Thence South 89° 34' 50" East 305.38 feet; Thence North 00° 25' 10" East 233.07 feet; Thence North 48° 46' 37" West 96.31 feet; Thence North 89° 34' 50" West 445.09 feet; Thence South 00° 25' 10" West 160.00 feet; Thence North 89° 34' 50" West 432.96 feet; Thence North 33° 34' 50" West 186.96 feet; Thence South 89° 34' 50" East 129.51 feet; Thence South 00° 25' 10" West 125.00 feet; Thence South 89° 34' 50" East 378.00 feet; Thence North 00° 25' 10" East 184.00 feet; Thence North 89° 34' 50" West 15.00 feet; Thence North 00° 25' 10" East 61.00 feet; Thence North 89° 34' 50" West 348.00 feet; Thence South 00° 25' 10" West, 61.00 feet; Thence North 89° 34' 50" West 98.00 feet; Thence South 64° 46' 43" West 55.46 feet; Thence North 89° 34' 50" West 231.15 feet to the true point of beginning.

EXCEPTING THEREFROM that portion described as follows:

TRACT "11" EXCEPTION NO. 1

That portion of Lot 156 of E. J. Baldwin's fourth subdivision of part of Rancho La Puente, in the City of West Covina, in the County of Los Angeles, State of California, as shown on map recorded in Book 8, Page 186 of Maps, in the office of the County Recorder of said County, described in deeds recorded as follows:

Deed recorded March 21, 1960, as Instrument No. 1624, in Book D-787, Page 223 of Official Records of Los Angeles County, California;

Deed recorded August 4, 1964, as Instrument No. 1828, in Book D-2575, Page 251 of Official Records of Los Angeles County, California;

Deed recorded January 29, 1959 as Instrument No. 1960, in Book D-348, Page 467, of Official Records of Los Angeles County, California;

Deed recorded May 31, 1968 as Instrument No. 723, in Book D-4017, Page 833 of Official Records of Los Angeles County, California;

Deed recorded February 15, 1968, as Instrument No. 2982, in Book D-3914, Page 485 of Official Records of Los Angeles County, California.

TRACT "G" EXCEPTION NO. 2

That portion of Lot 156 of E. J. Baldwin's fourth subdivision of part of Rancho La Puente, in the City of West Covina, in the County of Los Angeles, State of California, as shown on map recorded in Book 8, Page 186 of Maps, in the office of the County Recorder of said County, described in deed recorded January 17, 1969, as Instrument No. 2989 in Book D-4254, Page 948 of Official Records of Los Angeles County, California.

TRACT A-4

That portion of Lot 156 of E. J. Baldwin's Fourth Sub-division of part of Rancho La Puente, in the City of West Covina, County of Los Angeles, State of California, as shown on map recorded in Book 8, Page 186 of Maps, in the office of the County Recorder of said County, bounded by the following described lines:

Beginning at the most southerly corner of Lot 144 of said subdivision; thence along the southeasterly line of said Lot 144, North  $41^{\circ}13'33''$  East 1325.49 feet; thence South  $48^{\circ}48'50''$  East 136.39 feet to the most westerly corner of Tract A-4 described in deed to Sylvan S. Shulman Co., recorded December 24, 1973, as Instrument No. 1670, Official Records; said point being the TRUE POINT OF BEGINNING; thence South  $48^{\circ}48'50''$  East 17.70 feet to a point in the southwesterly line of said Tract A-4, distant thereon North  $48^{\circ}48'50''$  West 71.58 feet from the most southerly corner of said Tract A-4; thence North  $86^{\circ}11'10''$  East 53.15 feet; thence South  $48^{\circ}48'50''$  East 41.34 feet; thence North  $41^{\circ}11'10''$  East 273.40 feet to a point in the southerly line of West Garvey Avenue; said southerly line being a line parallel with and distant 67.00 feet southerly from the northerly line of said Lot 156; thence along said southerly line, North  $89^{\circ}34'50''$  West 0.51 feet to the beginning of a tangent curve concave northerly therein having a radius of 2080 feet; thence westerly along said curve through a central angle of  $3^{\circ}24'53''$  an arc distance of 123.96 feet to the northwesterly corner of the land described in the above mentioned deed to Sylvan S. Shulman Co.; thence along the northwesterly line of said land of Sylvan S. Shulman Co., South  $41^{\circ}11'10''$  West 232.54 feet to the TRUE POINT OF BEGINNING.

EXPANSION PARCELS:

Assessor's Parcel No.:

8474-8-01	8474-8-900	8474-3-34	8474-3-39	8474-3-56
8474-8-03	8474-8-08	8474-3-35	8474-3-40	8474-7-01
8474-8-04	8474-8-11	8474-3-36	8474-3-41	8474-7-07
8474-8-05	8474-3-32	8474-3-37	8474-3-42	8474-7-900
8474-8-06	8474-3-33	8474-3-38	8474-3-53	8474-7-901

ROADBED PARCELS:

All public roadways included within the project.

HOOK-RAMP PARCELS:

The parcel of land known as the California off-ramp as described within the Cooperative Agreement No. 3639 between the State of California and City of West Covina.

EXHIBIT NO. 3

SCHEDULE OF PERFORMANCE

1. Execution of Agreement  
 Agreement shall be authorized, executed and delivered by Developer to Agency. On or before ~~June 27~~ June 26, 1989.
2. Basic Concept Drawings  
 Developer shall prepare and submit to Agency, Basic Concept Drawings. Concurrent with submission of this Agreement by Developer to Agency.
3. Approval-Basic Concept Drawings and Agreement  
 Agency shall approve, conditionally approve, or disapprove Basic Concept Drawings. Concurrent with approval of this Agreement.
4. Commence Acquisition of Expansion Parcels  
 Agency shall have submitted offers to purchase to owners of the Expansion Parcels. Within 10 days following the request by Developer.
5. Monthly Status Reports  
 Agency shall prepare a report on the status of the acquisition of the Expansion Parcels. Due, every 30 days following the submittal of offers to property owners.
6. Soils Test  
 Developer shall conduct soils test on Expansion Parcels. Within 60 days from Agency obtaining a Right of Entry.
7. Submission of Precise Plan  
 Developer shall submit a completed application for all required zoning approvals by the planning Commission. Within 90 days from the date of this Agreement.
8. Final Drawings and Plans  
 Developer shall submit final drawings and plans to City for issuance of building permits. Within 240 days from approval of a Precise Plan by the Planning Commission.

9. Correction of Soil  
Developer shall determine whether or not correct soil condition. Prior to Agency acquisition of subject property.
10. Close of Bonds  
The proposed public bond issue shall close and the proceeds shall be available. Within 30 days after Developer approves sale of the bonds but not later than October 15 10, 1989.
11. Relocation  
Agency will complete the relocation of existing owners and/or tenants within the area acquired, as may be needed. Within 120 days from the date of possession by the Agency.
12. Conveyance of Title or Possessory Interest  
Agency shall convey possession and/or title to Developer of Developers Parcel. Within 6 months from the date of this Agreement subject to Sections 2.5 and 2.6.
13. Issuance of Building Permits  
Subject to fulfillment of this Agreement, and subject to all applicable City Codes, City shall issue building permits with respect to the project. Within 45 days from submission of Final Construction Drawings to the City by Developer .
14. Commencement of Construction of Expansion Developer shall commence construction of the project. Within 60 days from the acceptance of title or possessory interest by the Developer (but not required prior to February 1, 1990).
15. Public Improvements  
Developer shall commence and complete off-site improvements. In coordination with Developer construction but no later than the issuance of a Certificate of Occupancy.
16. Completion of Construction of Expansion Developer shall complete the construction of the Expansion. Within 16 months from commencement of construction project.



EXHIBIT NO. 4  
ESCROW INSTRUCTIONS

The Owner Participation Agreement by and between the Redevelopment Agency of the City of West Covina and Sylvan S. Shulman Co./West Covina Associates, a Delaware Limited Partnership dated June 26, 1989 ("OPA"), and these Escrow Instructions are to be considered as escrow instructions to the Escrow Agent, and Escrow Agent is authorized to act hereunder insofar as closing escrow is concerned.

1. As used in these Instructions, "Seller" shall mean the Agency, and "Buyer" shall mean the Developer. These Instructions shall apply to all conveyances of land between Developer and Agency as described in the Agreement.

2. The Closing Date for escrow on the Expansion Area shall be mutually agreed by the parties subject to the provisions of the OPA.

3. As soon as possible after opening of escrow, Seller will deposit an executed deed, in substantially the form as attached hereto as Exhibit 4B with Escrow Agent on Seller's behalf. Buyer agrees to deposit the Purchase Price upon demand of Escrow Agent. Buyer and Seller agree to deposit with Escrow Agent any additional instruments as may be necessary to complete this transaction.

A. Insurance policies for fire or casualty are not to be transferred, and Seller shall cancel its own policies after close of escrow.

1. All funds received in this escrow shall be deposited with other escrow funds in a general escrow trust account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by wire transfer.

2. Escrow agent is authorized and instructed to comply with the following tax adjustment procedure:

(i) Pay and charge Seller for any unpaid delinquent taxes and/or any penalties and interest thereon, and for any delinquent or non-delinquent assessments or bonds against the property;

(ii) Escrow is not to be concerned with proration of Seller's taxes for current fiscal year if this escrow closes between July 1 and November 1 unless current tax information is available for title insurer. In the event said tax information is available, Seller's taxes shall be prorated in accordance with Paragraph 6 below. From July 1 and the ensuing period, when tax information is not available, Seller's pro-rata portion of taxes due to close of escrow, shall be cleared and paid by Seller, outside of escrow pursuant to provisions of Section 5082 through 5090 of the Revenue and Taxation Code of the State of California. If Escrow Agent and/or Title Insurer is unwilling to insure the title free and clear of such taxes as a result of that procedure, then in lieu thereof, taxes shall be prorated based on the latest available tax statement.

(iii) From the date that tax information is available, as per Paragraph i above, up to and including June 30th, Seller's current taxes, if unpaid, shall be prorated to date of close of escrow on the basis of a 365-day year in accordance with Tax Collector's proration requirements together with penalties and interest if said current taxes are unpaid after December 10 and April 10.

(iv) Any taxes which have been paid by Seller, prior to the opening of this escrow, shall not be prorated between Buyer and Seller, but Seller shall have the sole right, after close of escrow to apply to the County Tax Collector of said County for refund of such taxes which may be due Seller for the period after Buyer's acquisition pursuant to Revenue and Taxation Code Section 5096.7.

3. Escrow agent is authorized to, and shall:

(i) Pay and charge Seller for any amount necessary to place title in the condition necessary to satisfy the requirements of the OPA;

(ii) Pay and charge Buyer and Seller equally for any escrow fees, charges and costs payable under Of this Agreement;

(iii) Disburse funds and deliver deed when conditions of this escrow have been fulfilled by Buyer and Seller.

EXHIBIT NO. 4

-2-

DRAFT: June 22~~6~~, 1989

(iv) Obtain the necessary certification or withhold the necessary funds from purchase price pursuant to Internal Revenue Code Section 1445.

4. Recordation of instruments delivered through this escrow is authorized if necessary or proper in the issuance of said policy of title insurance. All time limits within which any matter herein specified is to be performed may be extended by mutual agreement of parties hereto. Any amendment of, or supplement to, any instructions must be in writing.

5. Time is of the essence in these instructions and escrow is to close as soon as possible in accordance with this Agreement.

6. A. If Escrow Agent receives notice of termination of this escrow from either party as provided in the Agreement, Escrow Agent shall promptly notify in writing the party not terminating the escrow of Escrow Agent's receipt of the notice to terminate. After the expiration of ten (10) business days from the date Escrow Agent delivers such notice, Escrow Agent shall return to each of the parties the funds and documents deposited in escrow unless Escrow Agent receives written objection from the party not terminating the escrow.
- B. In the event of such an objection, Escrow Agent shall retain all funds and documents until it receives written instructions from both parties as to the disposition of the funds or documents or a certified copy of a final judgment or order of a court of competent jurisdiction resolving the rights of the parties. A judgment or order shall be deemed final when all time for appeal, rehearing or other comparable procedure has expired without any such proceeding having been commenced. Escrow Agent shall also have the right to file an interpleader action in the event of a dispute between the parties and/or the receipt of conflicting demands from them.
- C. Any termination of the escrow shall be without prejudice to the rights either party may have

EXHIBIT NO. 4

-3-

DRAFT: June 22~~6~~, 1989

against the other for any breach of covenant or warranty or any misrepresentation under this Agreement.

7. Each party shall share equally all usual fees, charges and costs which arise in this escrow.

8. The parties shall execute such additional instructions as requested by the Escrow Agent not inconsistent with the provisions of the Agreement and these Escrow Instructions and which are necessary or convenient to carry out the intent of the Agreement.

REDEVELOPMENT AGENCY OF THE CITY  
OF WEST COVINA (SELLER)

\_\_\_\_\_  
Executive Director

SYLVAN S. SHULMAN CO./  
WEST COVINA ASSOCIATES  
By SYLVAN S. SHULMAN CO.,  
GENERAL PARTNER

By \_\_\_\_\_  
SYLVAN S. SHULMAN  
GENERAL PARTNER

EXHIBIT NO. 4

-4-

DRAFT: June 226, 1989

EXHIBIT 4A

PERMITTED TITLE EXCEPTIONS

1. Liens for real property taxes not delinquent, provided any outstanding taxes are paid prior to close of escrow in accordance with the Escrow Instructions;
2. Utility easements necessary to serve the Site;
3. The Construction, Operation and Reciprocal Easement Agreement described in Section 2.13 of the Agreement.
4. Provisions of the Agreement;
5. Rights to extract gas, oil and hydrocarbon items, provided such rights do not restrict or impede access to or development of the Site and do not permit access upon the surface of the land or within 500 feet of such surface;
6. Items required by the title insurer to insure property conveyed pursuant to an order of immediate possession; and
7. Such other items as the parties may agree upon.

EXHIBIT NO. 4B

GRANT DEED

Recording Requested by:

Sylvan S. Shulman Co./West Covina Associates, L.P.  
1200 West Covina Parkway #112  
West Covina, California

After Recording Return  
Original Document to:

Jeremy V. Wisot, Esq.  
Musick, Peeler & Garrett  
One Wilshire Building  
624 S. Grand Avenue  
Los Angeles, California 90017

Mail Tax Statements to:

Sylvan S. Shulman Co./West Covina Associates, L.P.  
c/o May Centers, Inc.  
611 Olive Street  
St. Louis, Missouri 63101

GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

The REDEVELOPMENT AGENCY OF THE CITY OF WEST COVINA, a public body, corporate and politic, of the State of California (the "Grantor"), acting to carry out the Redevelopment Plan (the "Redevelopment Plan") for the Central Business District Redevelopment Project under the Community Redevelopment Law of the State of California, hereby grants to SYLVAN S. SHULMAN CO./WEST COVINA ASSOCIATES, A DELAWARE LIMITED PARTNERSHIP, (the "Grantee"), the real property (the "Property") legally described in the document attached hereto, labeled Exhibit A, and incorporated herein by this reference.

1. The Property is conveyed subject to the Redevelopment Plan and pursuant to an Owner Participation Agreement entered into by and among the Grantor and the

Grantee, dated June 26, 1989, (herein referred to as the "Agreement"). Upon recordation of a Certificate of Completion for the Expansion Area (as defined in the Agreement) the provisions of this Grant Deed shall control in the event of any inconsistency between the provisions hereof and the Agreement.

2. The Grantee hereby covenants and agrees, for itself and its successors and assigns, that during construction and thereafter for the period described in Paragraph 7, the Grantee shall devote the Property to use as a regional shopping center (including the peripheral retail uses).

3. The Grantee covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall the Grantee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Property.

All deeds, leases or contracts made relative to the Property, improvements thereon or any part thereof, shall contain or be subject to substantially the following nondiscrimination clauses:

- (i) In deeds: "The grantee herein covenants by and for himself, his heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants,

EXHIBIT NO. 4B

Page 2

DRAFT: June 226, 1989

lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

- (ii) In leases: "The lessee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through him, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the land herein leased, nor shall the lessee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of tenants, lessees, sublessees, subtenants or vendees in the land herein leased."

- (iii) In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land."

4. Prior to the recordation of a Certificate of Completion for the Property, the Grantee shall not sell, transfer, or convey the Property except as permitted by the Agreement.

5. Prior to the recordation of a Certificate of Completion for the Property, the Grantor shall have the right at its option to reenter and take possession of the



Property hereby conveyed with all improvements thereon and to terminate and revert in the Grantor the Property hereby conveyed to the Grantee but only in accordance with the specific provisions of Section 7.8 of the Agreement.

6. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument permitted by the Agreement; provided, however, that any successor of Grantee to the Property shall be bound by the covenants, conditions, restrictions, limitations and provisions of this Grant Deed which then are applicable, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

7. Except as otherwise provided herein, the covenants contained in this Grant Deed shall remain in effect for a period of thirty (30) years following the recordation of a Certificate of Completion with respect to the Property. The covenants against discrimination set forth in Paragraph 3 hereof shall remain in perpetuity.

8. The covenants contained in paragraphs 2, 3, 4, 5 and 6 of this Grant Deed shall be binding for the benefit of the Grantor and its successors and assigns, and such covenants shall run in favor of the Grantor for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach. The covenants described herein shall only apply to and obligate Grantee with respect to acts or omissions which occur while Grantee owns an interest in the Property. No obligation imposed upon the successors and assigns of Grantee shall obligate Grantee in the event they or any of them breach any such obligations. Grantee shall be obligated solely for any breach which Grantee itself commits, and not for that of others. The covenants contained in this Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor and its successors.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized, this day of \_\_\_\_\_, 19\_\_.

REDEVELOPMENT AGENCY OF  
THE CITY OF WEST COVINA

By: \_\_\_\_\_  
Chairman

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
Peter M. Thorson  
Counsel for Grantor

The provisions of this Grant Deed are hereby approved and accepted.

SYLVAN S. SHULMAN CO./WEST COVINA ASSOCIATES, A DELAWARE  
LIMITED PARTNERSHIP

By SYLVAN S. SHULMAN CO.,  
GENERAL PARTNER

By: \_\_\_\_\_  
SYLVAN S. SHULMAN,  
General Partner

By: \_\_\_\_\_

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

On this \_\_\_\_\_ day of \_\_\_\_\_, before me, a Notary Public, State of California, duly commissioned and sworn, personally appeared \_\_\_\_\_ and \_\_\_\_\_, known to me to be the Chairman and Secretary, respectively, of the Redevelopment Agency of the City of West Covina, a public corporation, that executed the within instrument on behalf of said public corporation therein named, and acknowledged to me that such public corporation executed the within instrument pursuant to a resolution of the members of said public corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public  
State of California

\* \* \* \* \*

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

On \_\_\_\_\_, 19\_\_\_\_, before me, the undersigned, a Notary Public in and for said State, personally appeared SYLVAN S. SHULMAN, known to me to be a partner of SYLVAN S. SHULMAN CO., the partnership that executed the within instrument as the General Partner on behalf of SYLVAN S. SHULMAN CO./WEST COVINA ASSOCIATES, a Delaware Limited Partnership, the limited partnership therein named, and acknowledged to me that such partnership executed the within instrument pursuant to its partnership agreement.

WITNESS my hand and official seal.

\_\_\_\_\_  
Name (typed or printed)

\* \* \* \* \*

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

On \_\_\_\_\_, 19\_\_\_\_, before me, the undersigned,  
a Notary Public in and for said State, personally appeared  
\_\_\_\_\_, known to me to be a partner  
of the limited partnership that executed the within  
instrument, known to me to be the persons who executed the  
within instrument on behalf of  
\_\_\_\_\_, the partnership therein  
named, and acknowledged to me that such partnership executed  
the within instrument pursuant to its partnership agreement.

WITNESS my hand and official seal.

\_\_\_\_\_  
Name (typed or printed)

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 19\_\_\_\_, before me, the under-  
signed, a Notary Public in and for said State, personally  
appeared PETER M. THORSON, 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 [s]he executed the same.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public in and for  
said State

EXHIBIT A TO GRANT DEED  
LEGAL DESCRIPTION OF THE PROPERTY

[To Be Inserted]

## EXHIBIT NO. 5

SCOPE OF DEVELOPMENTI. DESCRIPTION OF PROJECT

West Covina Fashion Plaza Expansion Site, contains \_\_\_\_\_ acres of land area. This Site shall be developed as an expansion to the existing regional shopping center located west of the Site. The project to be developed pursuant to this Agreement (the "Project") consists of the following components:

A. the renovation (the "Renovation") of the buildings and improvements currently situated on the Developers Tract per plans dated November 21, 1988;

B. an expansion (the "Expansion") of the shopping center containing approximately 100,000 square feet of gross leasable area plus related common area;

C. a new, two-level May Co. department store (the "May Store") containing approximately 140,000 square feet of floor area;

D. the construction on land to be owned by the Agency of additional public surface parking areas containing sufficient parking spaces to satisfy code requirements of the City of West Covina (the "City") for the Expansion, the May Store and the Peripheral Developments (hereinafter defined); and

E. the construction of separate commercial buildings containing approximately 74,000 to 82,000 square feet of gross leasable area (the "Peripheral Developments") not connected to the mall buildings that will be developed by Developer, Shulman, an affiliate of Shulman or third parties on portions of the Shopping Center Site.

The project, as presently envisioned by the parties, is depicted on a Site Plan dated February 21, 1989 prepared by RTKL & Associates, Inc.

Buildings shall be constructed in conformance with the City's Municipal Code and in accordance with the Agency-approved preliminary construction drawings, plans and specifications.

## II. DEVELOPMENT CONCEPT

### A. ARCHITECTURE AND DESIGN

The development shall be of high architectural quality with landscaped areas, and effectively and aesthetically designed. The shape, scale of volume, exterior design, and exterior finish of the buildings must be consonant with, visually related to, physically related to, and an enhancement to the adjacent regional shopping center. It is necessary to architecturally and physically integrate the mall expansion with the existing mall.

The plans, drawings and proposals submitted to the Agency for approval shall describe in reasonable detail the architectural character intended for the improvements. The buildings shall conform to the development standards set forth in the Design for Development approved by the Agency.

The Site shall be designed in such a way as to obtain the following objectives:

1. To maximize the development potential of the site fully utilizing the benefits of the location adjacent to the San Bernardino Freeway and within the Central Business District Project Area.
2. To create a visually pleasing development which will contribute positively to the image of West Covina and provide a definite visual focal point or landmark.
3. To create a development which will complement the existing regional shopping mall and corporate office developments currently proposed within the Redevelopment Project Area.
4. To create a development which will allow safe and efficient use by visitors and will provide a pleasing environment within which to work and to visit.



5. To create a development that is not only harmonious and consistent with existing adjacent development but, additionally, has its own visual and functional identity.

Special consideration shall be given to providing architectural enhancements to the interior and exterior of the mall. Examples of enhancements include: skylights, escalators and elevators in key locations, landscaped plaza areas, decorative fixtures, theme lighting, fountains, etc.

### C. PARKING FACILITIES

Goal: To design Parking Facilities in a manner that achieves compatibility with development of the Expansion Area in architectural treatments as well as building materials.

#### Standards:

The on-site parking for the Expansion Area development shall be in conformance with the City's Municipal Code and with Planning Commission Resolution No. 2513.

### III. DEVELOPMENT STANDARDS

All developments on the site shall be in accordance with the development standards applicable to the Regional-Commercial (R-C) Zone as set forth in the Zoning Ordinance contained in the West Covina Municipal Code and development standards contained in the Central Business District Redevelopment Plan. Where applicable, the development shall be in conformance with the existing Reciprocal Easement Agreement for Fashion Plaza.

The following development standards shall also be applicable to the development of the Site in addition to the standards contained in the Municipal Code. Where conflicts occur, the more restrictive standards shall apply:

A. BUILDING DESIGN

Goal: To design buildings in terms of architecture, materials, and colors that lend visual interests and distinction, and that project an image of quality and civic pride.

Standards:

1. Developments shall use materials that provide an air of permanence and substance, such as brick, stone, tile, marble, granite, concrete, steel and glass.
2. Developments shall be sited and designed to minimize their impact on viewline corridors in relation to adjacent developments and street level views.
3. Developments shall be designed with appropriate scale and design relationships with adjacent developments.
4. Developments shall be designed to be visually connected and functionally interrelated with adjacent developments.
5. Large areas of unbroken wall expanses and masses shall be broken up through the use of varied heights and setbacks, arrangement of colors or facade elements, and/or landscaping treatments.
6. The buildings shall be arranged to encourage pedestrian circulation.

B. GRONDSAPES

Goal: To create a pleasing aesthetic environment through the effective use of landscaping and hardscaping techniques and approaches.

Standards:

1. Landscaping shall be used to relieve the appearance of solid, unbroken elevations of the development.
2. All plant material used on the development site shall be of appropriate size and scale to properly relate to the scale of the development. Trees along the freeway shall include Palm trees (Washingtonia Robusta).

3. All trees and shrubs shall be specimen size (30 inch box and 15 gallon trees, and 15 gallon and 5-gallon shrubs) with the larger trees and shrubs located at the entrance and focal points of the site.

4. An average of one 15-gallon tree shall be planted for every ten single row parking stalls or twenty, double row parking stalls within the parking lot area of the development

5. A minimum of 12 percent of the total site area shall be landscaped, permanently watered, and maintained with an automatic sprinkler system.

6. Perennial flowering plants and shrubs must be planted and maintained at entrances and key focal points in the development site, i.e., Garvey Avenue at Vincent, West Covina Parkway at California and Sunset Place.

7. Pedestrian walkways within the development site shall be enhanced with landscaped setbacks, decorative features, planters, trees, and other aesthetic elements. The major pedestrian walkway system shall be of special parking material so as to define movement areas.

8. Street furniture within the development site shall be complement and be compatible with the street furniture planned for the public right-of-way.

9. Paved surfaces on the development site that abut public sidewalks and other pedestrian areas shall be compatible in terms of color, material, texture and pattern.

C. SIGNAGE

Goal: To design signs and sign programs which contribute to the overall aesthetics of the development and which project a quality and professional image.

Standards:

1. Signs shall be designed to serve as a harmonious and integrative element to the overall building design concept, and shall be proportionate to the scale of the building facade upon which they are proposed to be placed.

2. All multi-tenant developments shall submit a written and graphic sign program detailing all proposed sign locations, lettering styles, colors, graphics, sizes, and mounting methods, and incorporate this program as part of any lease or sale document.

3. All major entrances (but no less than three) to the site shall contain a decorative monument sign.

4. All sign colors, lettering styles, graphics mounting treatments shall be compatible with the overall development.

5. No sign or sign program shall use more than three colors plus logo or propose excessive use of bright or intense colors.

D. URBAN PATHWAYS

Goal: To create a continuous and connective network of pedestrian-oriented streets, public walkways, and open spaces throughout the Central Business District.

Standards:

1. The development site and buildings shall be designed to minimize pedestrian/vehicle conflicts.

2. Pedestrian spaces shall be designed to consider the special needs of the handicapped.

3. The development site and buildings shall be designed to facilitate public access across the site where important pedestrian movements occur, i.e., from Vincent Avenue to the mall and from Sunset Avenue to the mall.

IV. EASEMENTS

The Agency and the Developer shall grant and permit all necessary and appropriate easements and rights for the development of the Site, including but not limited to easements and rights of vehicular access, pedestrian access, parking, sanitary sewers, storm drains, water, electrical power, telephone, natural gas, etc.

V. DESIGN REVIEW

The Executive Director of the Agency, or the appointed designee, shall review all plans prior to formal precise plan review to insure their compliance with these design standards. The Executive Director shall determine if a

variation is required under these design standards pursuant to the objectives set forth in Section III hereof.

VI. VARIATION TO DESIGN STANDARDS

Variations to these designs standards will be approved when it has been determined by the Agency that a variation meets the objectives of this Scope of Development, and are of benefit to the Redevelopment Project Area.

EXHIBIT NO. 6

PUBLIC FINANCING BUDGET

Land Acquisition	\$18,475,000
Fixtures, Equipment, Relocation, Goodwill	8,332,000
Demolition	1,273,000
Public Improvements	<u>5,108,000</u>
Net Proceeds of Public Financing	\$33,188,000

**EXHIBIT NO. 8****CONSTRUCTION MANAGEMENT AGREEMENT**

REDEVELOPMENT AGENCY OF THE CITY OF WEST COVINA  
COMMUNITY FACILITIES DISTRICT NO. 1989-1  
(Fashion Plaza)

*THIS AGREEMENT*, dated as of \_\_\_\_\_ 1, 1989 is by and between the Redevelopment Agency of the City of West Covina, a political subdivision of the State of California (the "Agency"), for the benefit of Community Facilities District No. 1989-1 (Fashion Plaza) (the "District"), and Sylvan S. Shulman Co./West Covina Associates, a Delaware limited partnership (the "Developer").

*WHEREAS*, the governing board of the Agency has established the District pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act") to provide financing for the Public Improvements, as such term is defined in the Owner Participation Agreement, dated May 15, 1989, between the Agency and the Developer (the "OPA"); and

*WHEREAS*, the Agency desires to construct the Public Improvements and the Developer is qualified to provide construction contract administration and coordination services for said construction.

*NOW, THEREFORE*, in consideration of the mutual promises and covenants set forth herein, and for other valuable consideration the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals; Definitions. Each of the parties hereto represent and warrant, each to the other, that the above recitals are true and correct. Capitalized terms used herein and not otherwise defined in this Agreement shall have the meanings ascribed to such terms in the OPA.

2. Employment for Services. The Agency does hereby retain and employ the Developer to perform construction contract administration and coordination services for the Public Improvements as specified below.

3. Scope of Work. The Developer shall perform the following services in conjunction with the construction of the Public Improvements :

3.1. The Work. The Developer shall coordinate all work required to construct the Public Improvements. Such work shall include the demolition of all improvements within the Expansion Area (including buildings, foundations, utility lines and related facilities, pavement, sidewalks and curbs), the relocation of

utility lines not relocated by utilities, site grading, plan preparation, and all construction of the Public Improvements required for the Project, whether on-site or off-site, except for street realignment described in Section 2.2 of the OPA. All work related to the Public Improvements shall be pursuant to plans and specifications approved by the City and in compliance with all relevant building codes.

3.2 Personnel. The Developer shall select and hire all architects, engineers and contractors, from a list approved by the Agency to construct the Public Improvements. The Developer agrees and acknowledges that its contractor and subcontractors shall be required to pay prevailing wages for construction of the Public Improvements pursuant to California Labor Code Sections 1770 to 1780. The Developer agrees to cause its contractors and subcontractors involved in the work on the Public Improvements to comply with applicable requirements of law respecting payment of prevailing wages.

3.3. Contracts Coordination. The Developer shall provide contracts coordination services in the field, which shall include coordinating and monitoring the scheduling of construction work, facilitating the City of West Covina (the "City") inspectors' field checks of work by general contractors and sub-contractors, and other related services. The Developer shall provide information regarding contracts coordination as requested by the City's Public Works Director.

3.4. Contract Administration. The Developer shall provide contracts administration staff, who shall negotiate contracts and change orders, process contractor invoices verified by Agency or City inspectors, prepare tabulations of construction costs and reimbursement forms for Agency review, prepare financial records for Agency review and approval, and other related services to the satisfaction of the Agency's Assistant Executive Director.

3.5. Progress Reports. The Developer shall furnish the Agency with monthly progress reports on the construction of the Public Improvements.

4. Time. The Developer shall perform the services stated in Section 3 in accordance with the schedule of performance for the construction of the Public Improvements set forth in the OPA. This Agreement shall terminate upon acceptance of the construction work and the project audits for the respective Public Improvements by the Agency for the District.

5. Compensation; Payment for Work. For the services detailed in Section 3 above, the Developer shall be entitled to reimbursement for its internal overhead costs and costs paid to third parties in performing its services hereunder; provided that such costs are not in excess of the reasonable and customary charges for similar services in the area, and that such reimbursement shall be solely from the available proceeds of the bonds to be issued by the Agency for the District. The Agency shall disburse the available proceeds of the bonds issued for the District to the Developer to pay the costs of construction of the Public Improvements and any amounts due under the preceding sentence upon receipt of a written request of the Developer which sets forth the nature of the costs for which payment is requested in reasonable detail and stating that the items for which payment is requested have not been the subject of any prior request for



payment. Each request for payment shall be accompanied by supporting documentation, such as third party invoices, computations of overhead incurred, etc., in such detail as the Assistant Executive Director shall reasonably request to verify the accuracy of the payment request.

Any request for payment shall be payable by the Agency solely from available amounts in the improvement fund established for the bonds to be issued by the Agency for the District, and any costs of construction incurred in excess of such amounts shall be paid by the Developer from its own funds.

6. Coordination with the City and the Agency. The Developer in performing the services pursuant to this Agreement shall cooperate and coordinate said services with representatives of the Agency designated by the Agency's Assistant Executive Director. The Agency agrees that no invoices, purchase orders, vouchers or checks in connection with the construction of the Public Improvements shall be processed outside the contracts administration system established herein and set forth in Section 3. The Agency and the Developer agree to use their best efforts to process payments and reimbursements in a timely fashion.

7. Termination, Suspension or Abandonment. The Agency has and reserves the right to terminate, suspend or abandon the execution of any work by the Developer pursuant to this Agreement if the Developer is in default hereunder or under the OPA and is not proceeding with due diligence to cure such default, upon giving to the Developer thirty (30) days prior written notice. In the event that the Agency should terminate, abandon or suspend the work by the Developer pursuant to this Agreement, the Developer shall be paid for all services provided up to the effective date of said termination, suspension or abandonment, and said payment shall be computed on a percentage of work completed within the respective payment period. In addition, the Developer shall be compensated for actual costs incurred after the date of termination, suspension or abandonment for any work required to compile and deliver documents, plans and other records to the Agency, should such compilation and delivery be required.

8. Independent Contractor. It is understood and agreed that the Developer is an independent contractor in the performance of this Agreement and is not an agent or employee of the City, the Agency or the District. It is further understood and agreed that the Developer has the responsibility to provide staff with the skill and competence necessary to perform the work agreed to be performed under this Agreement, that the Agency will rely upon such skill and competence to be utilized in the performance of work under this Agreement, and that the Developer agrees to so perform its work. As an independent contractor, the Developer has no fiduciary responsibility to the Agency with respect to the services provided pursuant to this Agreement.

9. Indemnification. The Developer agrees to indemnify and save harmless the Agency and the District from any and all claims and demands which arise from any negligent acts, errors or omissions in the services rendered by the Developer under this Agreement, excepting, however, any such claims and demands which are the result of the sole negligence or willful misconduct of the Agency and/or the District, their representatives, agents or employees, for which the Agency and the District agree to indemnify and save harmless the Developer.

10. Assignability. Neither the Developer nor the Agency shall assign or transfer any of their interest or responsibilities in this Agreement without the prior written consent of the other.

11. Ownership of Documents and Records. The Agency shall have full ownership rights of all original documents, records, plans, maps, or drawing which are produced by the Developer pursuant to this Agreement and are directly related to the construction of the Public Improvements.

12. No Other Agreements. The Agency and the Developer agree that the provisions of this Agreement constitute the entire agreement between the Agency and the Developer regarding the performance of contract coordination and administration services described herein, and that no representation, term or covenant not expressly specified in this Agreement shall, whether oral or written, be a part of this Agreement, subject to the amendment provision below.

13. Amendment or Extension. No amendment or extension of this Agreement shall be effective unless it is in writing, executed by the Agency and the Developer.

14. Attorney's Fees. In the event of the bringing of any action or suit by either party against the other arising out of this Agreement, the party in whose favor final judgment shall be entered shall be entitled to recover from the other party all costs and expenses of suit, including reasonable attorneys' fees.

15. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to either party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified mail, postage prepaid, addressed as follows:

Developer:

Sylvan S. Shulman Co./West Covina  
Associates,  
a Delaware limited partnership  
c/o May Centers, Inc.  
611 Olive Street  
St. Louis, Missouri 63101  
Attention: Robert L. Ferguson, President

With a Copy to

Sylvan S. Shulman  
201 Ocean Avenue, Suite 1806-B  
Santa Monica, California 90402

Agency or District:

Redevelopment Agency of the City of West  
Covina  
1444 West Garvey Avenue  
West Covina, California 92790  
Attention: Assistant Executive Director

Each party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

16. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

17. Limited Liability. Any and all obligations of the Agency and/or the District arising out of or related to this Agreement are the special and limited obligations of the Agency and the District, as applicable, in any event payable only from the funds of the District to the extent such may become available. In no event shall the Agency be obligated to advance any of its own funds hereunder. No Boardmember, staff member or agent of the Agency or the District shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

18. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first-above written.

REDEVELOPMENT AGENCY OF THE  
CITY OF WEST COVINA, for itself and on  
behalf of COMMUNITY FACILITIES  
DISTRICT NO. 1989-1 (Fashion Plaza)

By: \_\_\_\_\_

SYLVAN S. SHULMAN CO./WEST  
COVINA ASSOCIATES, a Delaware limited  
partnership

By: \_\_\_\_\_  
Its: \_\_\_\_\_

EXHIBIT NO. 9

DESCRIPTION OF PUBLIC FINANCING  
WITH CASH FLOW PROJECTIONS  
AND FORMULA FOR CALCULATION OF SPECIAL TAX

Nature of Public Financing

The Redevelopment Agency of the City of West Covina (the "Agency") intends to issue approximately \$42,120,000 of tax-exempt bonds to accomplish the Public Financing described in the OPA. The bonds will be issued under the authority of the Mello-Roos Community Facilities Act of 1982. Interest will be capitalized for two years, and debt service payments on the bonds will be due on March 1 and September 1 of each calendar year commencing September 1, 1991. Payments will be interest only through March 1, 1994, and principal will mature from September 1, 1994 through September 1, 2022. The principal portion of the debt service payments will be paid with the September installment. The issue will be secured by a debt service reserve fund of \$3 million, funded from bond proceeds, by special tax levies on the Community Facilities District to be formed and by certain other revenues. The bonds will not be an obligation of the Agency or the City of West Covina.

The Special Tax Levy

Part I - Sizing Special Tax Levy

The Agency shall determine the amount of Special Tax to be levied for each fiscal year on July 1 of such fiscal year. The Agency shall do so as provided below:

Step I-1. Take the sum of gross debt service for the next succeeding March 1 and the following September 1 payment dates.

Step I-2. Subtract an amount equal to the gross debt service due on the next succeeding September 1 from funds on hand in the Special Tax Fund. If the result of this step is less than zero, treat this result as zero.

Step I-3. Subtract the result of Step I-2 from the result of Step I-1.

Step I-4. Subtract from the result of Step I-3 an amount equal to the property tax increment received by the Agency and deposited in the Special Tax fund during the previous 12 months.

Step I-5. Subtract from the result of Step I-4 an amount equal to 50% of the sales tax increment received by the Agency and deposited in the Special Tax Fund during the previous 12 months.

Step I-6. Subtract from the result of Step I-5 earnings on the debt service revenue fund estimated to be received prior to the next succeeding September 1 and the following March 1 payment dates.

Step I-7. If the Debt Service Reserve fund is less than the Debt Service Reserve Requirement, add the difference to the result of Step I-6.

Step I-8. Add the estimated cost of Fiscal Agent services and rebate calculation and the estimated cost of Agency staff time (so long as such Agency cost does not exceed \$10,000) for the current fiscal year to the result of Step I-7.

Step I-9. The Special Tax to be levied and collected each fiscal year shall be the greater of the result of Step I-8 or the Minimum Special Tax as specified in Sections 4.4-A and 4.4-B of the OPA.

## Part II - Apportionment of Special Tax

The Special Tax levy as determined above shall be apportioned annually by parcel as provided below:

Step II-1. Divide the total gross square footage of any building ("Building Area") for each parcel by the total Building Area within the boundaries of the District.

Step II-2. Multiply the result of Step II-1 for each parcel in the District by the Special Tax Levy determined in Step I-9.

Step II-3. Divide the result of Step II-2 for each parcel by the Building Area for each parcel.

Step II-4. If the result of Step II-3 for each parcel is greater than \$13.50 per square foot of building area, then go to Step II-6 below. If the result of Step II-3 is less than \$13.50 per square foot of building area, then go to Step II-5 below.

Step II-5. The Special Tax to be levied for each parcel is the result of Step II-2 for each parcel.

Step II-6. Multiply the Building Area for each parcel by \$13.50 per square foot.

Step II-7. Total the results of Step II-6 for each parcel.

Step II-8. Subtract the result of Step II-7 from the result of Step I-9.

Step II-9. Divide the result of Step II-8 by the total acreage within the District.

Step II-10. If the result of Step II-9 is greater than \$200,000 per acre, go to Step II-12 below. If the result of Step II-9 is less than \$200,000 per acre, go to Step II-11 below.

Step II-11. Multiply the acreage for each parcel by the result of Step 9. Add this figure for each parcel to the result of Step II-6 to determine the total Special Tax levy for each parcel.

Step II-12. Multiply the acreage for each parcel by \$200,000 per acre and add this figure to the result of Step II-6. This is the total Special Tax levy for each parcel.

### Definitions

Building means any structure having a roof supported by columns or walls for the housing, shelter or enclosure of persons, animals, chattels or property of any kind.

### Sources of Revenue to Pay Debt Service

Pursuant to the OPA, the Agency has pledged a portion of the sales tax increment and property tax increment to be generated by the proposed remodeling and expansion of West Covina Fashion Plaza, together with Park & Ride lease revenues for a period of 5 years, to offset a portion of the debt service on the bonds. Revenues received from these sources will be applied to reduce the special tax levies assessed against the parcels within the District.

The Developer will advance any sums required to pay debt service on the bonds in excess of the sources of revenues described above and the Minimum Special Tax levy to be made in accordance with the OPA. The Developer Advances will accrue interest at a rate of 10% per annum calculated on the basis of 12 30-day months and a 360-day year, with interest compounding annually on April 1 of each year. The Developer Advances will be deemed to have been made on December 1 and April 1 of each fiscal year, coinciding with the projected dates for payment of the first and second installments of real property taxes.

A repayment fund will be established by the Agency to which it will deposit revenues from the sources described above in excess

of amounts to be used to pay debt service on the bonds. The Developer Advances will be repaid each October 1 and June 1, with all payments being applied first to accrued interest and then to principal. All cash in the repayment fund as of October 1 of each year shall be used to repay Developer Advances; all cash in the repayment fund as of June 1, except for an amount equal to the gross debt service payment due the following September 1, also shall be used to repay Developer Advances. Once all Developer Advances are repaid in full, the Agency will use revenue not required for current debt service to purchase or redeem outstanding bonds.

#### Adjustments Pursuant to Section 4.4-D of the OPA

Section 4.2-A(7) of the OPA provides that the proceeds of the Public Financing may be used for public improvements related to the Site provided that the sources of revenue to be provided by the Agency as described above will not be used to repay the debt service allocated to such expenditures. On or before the date that the Agency conveys fee title to the Developer Parcel to Developer, but not later than July 1, 1991, the Developer shall notify the Agency of the amount of the proceeds of the Public Financing which will be reserved for the financing of the Public Improvements pursuant to Section 4.2-A(7) (the "A(7) Public Improvements"). If any proceeds of the Public Financing are used to finance any A(7) Public Improvements, the Minimum Special Tax provided in Sections 4.4-A and 4.4-B of the OPA shall be adjusted as follows:

The amount so reserved for A(7) Public Improvements shall be divided by the total amount of the net proceeds of the Public Financing (excluding any funded interest, reserve funds and issuance costs) and the resulting fraction shall be called the A(7) Public Improvements Percentage. Each scheduled payment of principal and interest on the bonds due during the term of the Public Financing shall be multiplied by the A(7) Public Improvements Percentage and the resulting amounts will constitute the A(7) Public Improvements Debt Service Payments. The Minimum Special Tax provided in Sections 4.4-A and 4.4-B, as applicable, shall be increased by the Public Improvements Debt Service Payments for each fiscal year, thereby reducing, on a corresponding basis, the potential for Developer Advances. The Developer shall be unconditionally obligated to making the A(7) Public Improvements Debt Service Payments without contribution from the Agency in any manner.

#### Cash Flow Projections

Attached are monthly projections of cash flow illustrating the application of revenues received to payment of debt service, payments to the Agency of contributions provided in the OPA and



repayment of Developer advances. These cash flow projections assume issuance of \$42,120,000 of bonds at a net interest cost of 8.25% in addition to certain other assumptions stated therein, which constitute the agreement of the Agency and the Developer as to the mechanics for receipt and expenditure of funds and the timing thereof. These projections are preceded by 4 summary tables:

Table 1 states projections of revenues and expenses for each fiscal year;

Table 2 states rules relating to the time for recognition of certain revenues and expenses and also outlines the formula for calculating the special tax levy;

Table 3 projects the amount of the Developer Advances and repayments, both on an annual and cumulative basis; and

Table 4 projects the annual revenues to be realized by the City of West Covina during the term of the bonds as well as the present value of such revenues.

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF

PROJECTED REVENUES

PROJECTED EXPENSES

TABLE 1: CASHFLOW

DATE:	FILE:	PROJECTED REVENUES										PROJECTED EXPENSES				
		Sales (100%) Tax Incr.	Sales (85%) Tax Incr.	Sales (70%) Tax Incr.	Property Tax Incr.	Prop. Tax Increment (Other)	Park & Ride Rev.	Minimum Special Tax	Reserve Fund Earnings	Gross due 9/1	Gross due 3/1	Cash Contrib. to City				
FY88/89		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FY89/90		109,000	92,650	0	0	0	0	0	0	0	0	0	0	0	0	0
FY90/91		408,000	346,800	100,000	118,000	350,000	350,000	350,000	689,000	194,887	0	0	0	0	0	400,000
FY91/92		753,000	640,050	398,000	120,000	350,000	350,000	350,000	877,000	334,092	0	0	0	0	0	200,000
FY92/93		926,000	787,100	406,000	122,000	350,000	350,000	350,000	1,065,000	334,092	0	0	0	0	0	200,000
FY93/94		1,045,000	888,250	414,000	125,000	350,000	350,000	350,000	1,128,000	334,092	0	0	0	0	0	200,000
FY94/95		1,171,000	995,350	422,000	127,000	350,000	350,000	350,000	1,128,000	334,092	0	0	0	0	0	200,000
FY95/96		1,303,000	1,107,550	430,000	130,000	350,000	350,000	350,000	1,128,000	334,092	0	0	0	0	0	200,000
FY96/97		1,442,000	1,225,700	439,000	132,000	350,000	350,000	350,000	1,128,000	334,092	0	0	0	0	0	200,000
FY97/98		1,588,000	1,349,800	448,000	135,000	350,000	350,000	350,000	1,128,000	334,092	0	0	0	0	0	200,000
FY98/99		1,742,000	1,480,700	457,000	133,000	350,000	350,000	350,000	1,128,000	334,092	0	0	0	0	0	200,000
FY99/00		1,902,000	1,616,700	466,000	141,000	350,000	350,000	350,000	1,128,000	334,092	0	0	0	0	0	200,000
FY00/01		2,071,000	1,760,350	475,000	146,000	350,000	350,000	350,000	1,128,000	334,092	0	0	0	0	0	200,000
FY01/02		2,249,000	1,911,650	485,000	149,000	350,000	350,000	350,000	1,241,000	334,092	0	0	0	0	0	200,000
FY02/03		2,435,000	2,069,750	494,000	152,000	350,000	350,000	350,000	1,241,000	334,092	0	0	0	0	0	200,000
FY03/04		2,630,000	2,235,500	504,000	155,000	350,000	350,000	350,000	1,241,000	334,092	0	0	0	0	0	200,000
FY04/05		2,836,000	2,410,600	514,000	158,000	350,000	350,000	350,000	1,241,000	334,092	0	0	0	0	0	200,000
FY05/06		3,052,000		525,000	161,000	350,000	350,000	350,000	1,241,000	334,092	0	0	0	0	0	200,000
FY06/07		3,278,000		535,000	164,000	350,000	350,000	350,000	1,365,000	334,092	0	0	0	0	0	200,000
FY07/08		3,516,000		546,000	168,000	350,000	350,000	350,000	1,365,000	334,092	0	0	0	0	0	200,000
FY08/09		3,765,000		557,000	171,000	350,000	350,000	350,000	1,365,000	334,092	0	0	0	0	0	200,000
FY09/10		4,027,000		568,000	174,000	350,000	350,000	350,000	1,365,000	334,092	0	0	0	0	0	200,000
FY10/11		4,302,000		579,000	177,000	350,000	350,000	350,000	1,365,000	334,092	0	0	0	0	0	200,000
FY11/12		4,591,000		591,000	182,000	350,000	350,000	350,000	1,501,000	334,092	0	0	0	0	0	200,000
FY12/13		4,895,000		602,000	185,000	350,000	350,000	350,000	1,501,000	334,092	0	0	0	0	0	200,000
FY13/14		5,213,000		614,000	189,000	350,000	350,000	350,000	1,501,000	334,092	0	0	0	0	0	200,000
FY14/15		5,548,000		627,000	193,000	350,000	350,000	350,000	1,501,000	334,092	0	0	0	0	0	200,000
FY15/16		5,899,000		639,000	197,000	350,000	350,000	350,000	1,501,000	334,092	0	0	0	0	0	200,000
FY16/17		6,261,000		652,000	200,000	350,000	350,000	350,000	1,650,000	334,092	0	0	0	0	0	200,000
FY17/18		6,637,000		665,000	205,000	350,000	350,000	350,000	1,650,000	334,092	0	0	0	0	0	200,000
FY18/19		7,035,000		678,000	209,000	350,000	350,000	350,000	1,650,000	334,092	0	0	0	0	0	200,000
FY19/20		7,457,000		692,000	213,000	350,000	350,000	350,000	1,650,000	334,092	0	0	0	0	0	200,000
FY20/21		7,905,000		706,000	217,000	350,000	350,000	350,000	1,650,000	334,092	0	0	0	0	0	200,000
FY21/22		8,379,000		720,000	221,000	350,000	350,000	350,000	1,815,000	334,092	0	0	0	0	0	200,000
FY22/23		8,882,000		720,000	221,000	350,000	350,000	350,000	1,815,000	4,511,546 [1]	0	0	0	0	0	200,000

[1] Includes release of \$4.5 million reserve fund

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF

DATE: 23-Jun-89  
FILE: WESNOW2A

TABLE 3: SUMMARY OF DEVELOPER'S CASHFLOW POSITION

	[1]		[2]		[3]
NEW LOANS (12/1&4/1)	REPMT. ON 10/1	REPMT. ON 6/1	NET CASH FOR FY	ACCUMUL. CASH OUT	LOAN BALANCE
FY88/89	0	0	0	0	0
FY89/90	0	0	0	0	0
FY90/91	0	0	0	0	0
FY91/92	1,376,931	0	665,243	(711,688)	757,969
FY92/93	951,215	536,669	0	(414,546)	(1,126,234)
FY93/94	854,690	374,956	0	(479,734)	(1,605,969)
FY94/95	742,515	412,102	0	(330,413)	(1,936,382)
FY95/96	1,039,465	117,116	242,013	(680,336)	(2,616,718)
FY96/97	1,005,941	296,635	278,005	(431,301)	(3,048,019)
FY97/98	965,654	328,741	315,457	(321,456)	(3,369,475)
FY98/99	942,554	362,520	349,483	(230,551)	(3,600,026)
FY99/00	915,304	395,204	394,930	(125,170)	(3,725,196)
FY00/01	874,678	635,081	435,915	196,317	(3,528,878)
FY01/02	679,229	674,351	478,834	473,956	(3,054,922)
FY02/03	590,279	714,598	523,057	647,376	(2,407,547)
FY03/04	520,209	756,733	572,202	808,726	(1,598,821)
FY04/05	444,994	801,669	623,687	980,362	(618,459)
FY05/06	398,614	733,605	325,639	660,630	0
FY06/07	403,028	775,045	587,176	959,193	0
FY07/08	320,468	817,739	637,981	1,135,252	0
FY08/09	240,164	862,508	687,612	1,309,956	0
FY09/10	159,308	909,793	741,991	1,492,476	0
FY10/11	85,434	959,487	798,028	1,672,081	0
FY11/12	0	1,011,951	967,165	1,979,116	0
FY12/13	0	791,381	0	791,381	0
FY13/14	0	0	0	0	0
FY14/15	0	0	0	0	0
FY15/16	0	0	0	0	0
FY16/17	0	0	0	0	0
FY17/18	0	0	0	0	0
FY18/19	0	0	0	0	0
FY19/20	0	0	0	0	0

[1] NET CASH FOR FISCAL YEAR subtracts semi-annual repayments from new loans (developer advances). Developer's cashflow is positive starting in FY00/01, because repayments starting that year are in excess of total developer advances for that year. The first loan repayment of each FY on 10/1 will actually be before the developer makes the first special tax payment of the FY on 12/1.

[2] ACCUMULATED CASH OUT shows cumulative net cash outflow, taking into account just cash paid out and not accrued interest or the actual loan balance. The loan balance is larger because it compounds accrued interest each April 1, and repayments to the developer pay off accrued interest before reducing principal due.

[3] LOAN BALANCE is as of the end of each fiscal year.

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.7% (MARKET RATES AS OF 5/4/89), 10% DSRF

DATE: 23-Jun-89  
 FILE: WESNOW2A

TABLE 4: TOTAL REVENUES TO THE CITY

	SALES TAX (15/30%)	CASH TO CITY	ANN.REV. TO CITY	CUMULATIVE REVENUE	ENDING CASH BAL.
FY88/89	0	0	0	0	0
FY89/90	16,350	0	16,350	16,350	
FY90/91	61,200	400,000	461,200	477,550	
FY91/92	112,950	200,000	312,950	790,500	
FY92/93	138,900	200,000	338,900	1,129,400	
FY93/94	156,750	200,000	356,750	1,486,150	
FY94/95	175,650	200,000	375,650	1,861,800	
FY95/96	195,450	200,000	395,450	2,257,250	
FY96/97	216,300	200,000	416,300	2,673,550	
FY97/98	238,200	200,000	438,200	3,111,750	
FY98/99	261,300	200,000	461,300	3,573,050	
FY99/00	285,300	200,000	485,300	4,058,350	
FY00/01	310,650	0	310,650	4,369,000	
FY01/02	337,350	0	337,350	4,706,350	
FY02/03	365,250	0	365,250	5,071,600	
FY03/04	394,500	0	394,500	5,466,100	
FY04/05	425,400	0	425,400	5,891,500	
FY05/06	915,600	0	915,600	6,807,100	
FY06/07	983,400	0	983,400	7,790,500	
FY07/08	1,054,800	0	1,054,800	8,845,300	
FY08/09	1,129,500	0	1,129,500	9,974,800	
FY09/10	1,208,100	0	1,208,100	11,182,900	
FY10/11	1,290,600	0	1,290,600	12,473,500	
FY11/12	1,377,300	0	1,377,300	13,850,800	
FY12/13	1,468,500	0	1,468,500	15,319,300	
FY13/14	1,563,900	0	1,563,900	16,883,200	
FY14/15	1,664,400	0	1,664,400	18,547,600	
FY15/16	1,769,700	0	1,769,700	20,317,300	
FY16/17	1,878,300	0	1,878,300	22,195,600	
FY17/18	1,991,100	0	1,991,100	24,186,700	
FY18/19	2,110,500	0	2,110,500	26,297,200	
FY19/20	2,237,100	0	2,237,100	28,534,300	
FY20/21	2,371,500	0	2,371,500	30,905,800	
FY21/22	2,513,700	0	2,513,700	33,419,500	
FY22/23	2,664,600	0	2,664,600	36,084,100	60,170,030

33,884,100 =NOMINAL TOTAL SALES TAX TO CITY  
 2,200,000 =NOMINAL TOTAL CASH CONTRIBUTIONS  
 -----  
 36,084,100 =NOMINAL TOTAL ANNUAL REVENUES TO CITY

5,731,255 =PRESENT VALUE OF ANNUAL SALES TAX TO CITY  
 1,527,201 =PRESENT VALUE OF ANNUAL CASH CONTRIBUTIONS  
 -----  
 7,258,456 =PRESENT VALUE OF ANNUAL SALES TAX AND  
 CASH CONTRIBUTIONS TO CITY ASSUMING  
 DISCOUNT RATE OF: 8.00%

4,395,138 =PRESENT VALUE OF ENDING CASH BALANCE  
 ----- IN FY22/23, USING DISCOUNT RATE ABOVE

11,653,595 =TOTAL PRESENT VALUE OF ALL REVENUES TO CITY  
 -----

SCENARIO 2: MAIL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF

DATE: 23-Jun-89  
FILE: WESNOW2A

TABLE 5: DEBT SERVICE COVERAGE

	Sales		Property Tax	Park & Ride Rev.	Reserve Fund Earnings	Subtotal	Maximum Tax Levy	Total Revs.		Gross		Debt	
	Increment	Tax						Available For D/S	Debt Service	Debt Service	Debt Service Coverage		
FY88/89	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
FY89/90	92,650	0	0	0	0	92,650	0	92,650	0	0	0	n/a	n/a
FY90/91	346,800	218,000	218,000	350,000	0	914,800	0	914,800	0	0	0	n/a	n/a
FY91/92	640,050	518,000	518,000	350,000	194,887	1,702,937	5,022,000	6,724,937	1,936,705	1,936,705	3.47	3.47	3.47
FY92/93	787,100	528,000	528,000	350,000	334,092	1,999,192	8,532,000	10,531,192	3,335,332	3,335,332	3.16	3.16	3.16
FY93/94	888,250	539,000	539,000	350,000	334,092	2,111,342	8,532,000	10,643,342	3,335,332	3,335,332	3.19	3.19	3.19
FY94/95	995,350	549,000	549,000	350,000	334,092	2,228,442	8,532,000	10,760,442	3,504,032	3,504,032	3.07	3.07	3.07
FY95/96	1,107,550	560,000	560,000	0	334,092	2,001,642	8,532,000	10,533,642	3,515,482	3,515,482	3.00	3.00	3.00
FY96/97	1,225,700	571,000	571,000	0	334,092	2,130,792	8,532,000	10,662,792	3,525,020	3,525,020	3.02	3.02	3.02
FY97/98	1,349,800	583,000	583,000	0	334,092	2,266,892	8,532,000	10,798,892	3,556,702	3,556,702	3.04	3.04	3.04
FY98/99	1,480,700	590,000	590,000	0	334,092	2,404,792	8,532,000	10,936,792	3,584,571	3,584,571	3.05	3.05	3.05
FY99/00	1,616,700	607,000	607,000	0	334,092	2,557,792	8,532,000	11,089,792	3,632,646	3,632,646	3.05	3.05	3.05
FY00/01	1,760,350	621,000	621,000	0	334,092	2,715,442	8,532,000	11,247,442	3,674,933	3,674,933	3.06	3.06	3.06
FY01/02	1,911,650	634,000	634,000	0	334,092	2,879,742	8,532,000	11,411,742	3,716,308	3,716,308	3.07	3.07	3.07
FY02/03	2,069,750	646,000	646,000	0	334,092	3,049,842	8,532,000	11,581,842	3,717,846	3,717,846	3.12	3.12	3.12
FY03/04	2,235,500	659,000	659,000	0	334,092	3,228,592	8,532,000	11,760,592	3,715,686	3,715,686	3.17	3.17	3.17
FY04/05	2,410,600	672,000	672,000	0	334,092	3,416,692	8,532,000	11,948,692	3,734,006	3,734,006	3.20	3.20	3.20
FY05/06	2,136,400	686,000	686,000	0	334,092	3,156,492	8,532,000	11,688,492	3,751,421	3,751,421	3.12	3.12	3.12
FY06/07	2,294,600	699,000	699,000	0	334,092	3,327,692	8,532,000	11,859,692	3,801,163	3,801,163	3.12	3.12	3.12
FY07/08	2,461,200	714,000	714,000	0	334,092	3,509,292	8,532,000	12,041,292	3,803,590	3,803,590	3.17	3.17	3.17
FY08/09	2,635,500	728,000	728,000	0	334,092	3,697,592	8,532,000	12,229,592	3,809,858	3,809,858	3.21	3.21	3.21
FY09/10	2,818,900	742,000	742,000	0	334,092	3,894,992	8,532,000	12,426,992	3,824,003	3,824,003	3.25	3.25	3.25
FY10/11	3,011,400	756,000	756,000	0	334,092	4,101,492	8,532,000	12,633,492	3,840,063	3,840,063	3.29	3.29	3.29
FY11/12	3,213,700	773,000	773,000	0	334,092	4,320,792	8,532,000	12,852,792	3,866,883	3,866,883	3.32	3.32	3.32
FY12/13	3,426,500	787,000	787,000	0	334,092	4,547,592	8,532,000	13,079,592	3,917,345	3,917,345	3.34	3.34	3.34
FY13/14	3,649,100	803,000	803,000	0	334,092	4,786,192	8,532,000	13,318,192	3,945,487	3,945,487	3.38	3.38	3.38
FY14/15	3,883,600	820,000	820,000	0	334,092	5,037,692	8,532,000	13,569,692	4,043,423	4,043,423	3.36	3.36	3.36
FY15/16	4,129,300	836,000	836,000	0	334,092	5,299,392	8,532,000	13,831,392	4,079,610	4,079,610	3.39	3.39	3.39
FY16/17	4,382,700	852,000	852,000	0	334,092	5,568,792	8,532,000	14,100,792	4,095,975	4,095,975	3.44	3.44	3.44
FY17/18	4,645,900	870,000	870,000	0	334,092	5,849,992	8,532,000	14,381,992	4,131,353	4,131,353	3.48	3.48	3.48
FY18/19	4,924,500	887,000	887,000	0	334,092	6,145,592	8,532,000	14,677,592	4,317,688	4,317,688	3.40	3.40	3.40
FY19/20	5,219,900	905,000	905,000	0	334,092	6,458,992	8,532,000	14,990,992	4,497,250	4,497,250	3.33	3.33	3.33
FY20/21	5,533,500	923,000	923,000	0	334,092	6,790,592	8,532,000	15,322,592	4,596,013	4,596,013	3.33	3.33	3.33
FY21/22	5,865,300	941,000	941,000	0	334,092	7,140,392	8,532,000	15,672,392	4,689,938	4,689,938	3.34	3.34	3.34
FY22/23	6,217,400	941,000	941,000	0	4,511,546	11,669,946	8,532,000	20,201,946	4,777,100	4,777,100	4.23	4.23	4.23

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY89/90

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	0	0	23,163	23,322	23,482	46,806	47,128	47,452	70,941	71,428	71,919	95,576	
REVENUES													
SALES TAX INCREMENT	0	23,163	0	0	23,163	0	0	23,163	0	0	23,163	0	92,650
PROPERTY TAX INCREMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	0	0	0	0	0	0	0
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	0	0	0	0	0	0	0
DEVELOPER ADVANCE	0	0	0	0	0	0	0	0	0	0	0	0	0
REINV. INTEREST INCOME	0	0	159	160	161	322	324	326	488	491	494	657	3,583
RESERVE FUND EARNINGS	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	23,163	159	160	23,324	322	324	23,489	488	491	23,657	657	96,233
OPERATING EXPENDITURES													
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	0	0	0	0	0	0	0	0	0	0	0	0	0
GROSS DEBT SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	0	23,163	23,322	23,482	46,806	47,128	47,452	70,941	71,428	71,919	95,576	96,233	

ASSUMPTIONS: DEVELOPER LOAN RATE ASSUMED: 10.00% Developer loan interest compounded annually on 30/360 day basis, as of each April 1.  
 This means that loan interest is calculated on outstanding principal balance plus interest balance as of each April 1 (after crediting previous year's interest).

NIC: 7.77%

REINV. RATE 8.25%  
 1ST 10 YRS

% OF SALES TAX FROM PREVIOUS FY TO BE USED IN SPECIAL TAX CALC.: 50%

A.7 D/S ADJUSTMENT REDUCES GROSS D/S BY CONSTANT PERCENTAGE: 0%



SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

23-Jun-89  
 DATE: WESNOW2A  
 FILE:

FY91/92

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	617,153	756,396	921,608	756,349	761,549	926,797	933,169	2,231,550	2,406,904	853,229	859,095	2,316,980	
REVENUES													
SALES TAX INCREMENT	0	160,013	0	0	160,013	0	0	160,013	0	0	160,013	0	640,050
PROPERTY TAX INCREMENT	0	0	0	0	0	0	199,000	0	0	0	199,000	0	398,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	60,000	0	0	0	60,000	0	120,000
PARK & RIDE (PROP. A)	350,000	0	0	0	0	0	0	0	0	0	0	0	350,000
MINIMUM SPECIAL TAX	0	0	0	0	0	0	344,500	0	0	0	344,500	0	689,000
DEVELOPER ADVANCE	0	0	0	0	0	0	688,466	0	0	0	688,466	0	1,376,931
REINV. INTEREST INCOME	4,243	5,200	6,336	5,200	5,236	6,372	6,416	15,342	16,547	5,866	5,906	15,929	98,593
RESERVE FUND EARNINGS	0	0	97,444	0	0	0	0	0	97,444	0	0	0	194,887
TOTAL	354,243	165,213	103,780	5,200	165,248	6,372	1,298,381	175,354	113,991	5,866	1,457,884	15,929	3,867,461
OPERATING EXPENDITURES													
CASH CONT. TO CITY	200,000	0	0	0	0	0	0	0	0	0	0	0	200,000
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	269,039	0	0	0	0	0	1,667,666	0	0	0	1,936,705
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	756,396	921,608	756,349	761,549	926,797	933,169	2,231,550	2,406,904	853,229	859,095	2,316,980	2,332,909	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	3,335,332			756,349									2,316,980
- AVAILABLE CASH:	348,114												1,667,666
- ALL TI FOR LAST FY:	218,000			756,349									665,243
- & SALES TAX LAST FY:	173,400												
- PROP. A REV. DUE 7/1:	350,000			0									
- RES.FUND INC. THIS FY:	194,887			0									1,423,211
+ BOND ADMIN. EXPENSES:	15,000												
= MANDATED SPECIAL TAX:	2,065,931												
TAX LEVY ON TENANTS:	689,000												688,466
TAX LEVY ON DEVELOPER:	1,376,931												
DEVL. LOAN PRINC. BAL.:	0	0	0	0	0	688,466	688,466	688,466	688,466	1,376,931	1,376,931	757,969	
ACCRUED INTEREST BAL.:	0	0	0	0	0	0	5,737	11,474	17,212	22,949	34,615	0	
TOTAL DEVL. LOAN BAL.:	0	0	0	0	0	688,466	694,203	699,940	705,677	1,399,880	1,411,546	757,969	



SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MONTHLY CASH FLOWS  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOWZA

FY92/93

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	1,667,666	1,814,131	2,023,378	536,669	3,690	200,490	201,868	1,381,364	1,587,636	97,931	98,604	1,474,164	
REVENUES													
SALES TAX INCREMENT	0	196,775	0	0	196,775	0	0	196,775	0	0	196,775	0	787,100
PROPERTY TAX INCREMENT	0	0	0	0	0	0	203,000	0	0	0	203,000	0	406,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	61,000	0	0	0	61,000	0	122,000
PARK & RIDE (PROP. A)	350,000	0	0	0	0	0	0	0	0	0	0	0	350,000
MINIMUM SPECIAL TAX	0	0	0	0	0	0	438,500	0	0	0	438,500	0	877,000
DEVELOPER ADVANCE	0	0	0	0	0	0	475,608	0	0	0	475,608	0	951,215
REINV. INTEREST INCOME	11,465	12,472	13,911	3,690	25	1,378	1,388	9,497	10,915	673	678	10,135	76,227
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	361,465	209,247	180,957	3,690	196,800	1,378	1,179,495	206,272	177,961	673	1,375,560	10,135	3,903,634
OPERATING EXPENDITURES													
CASH CONT. TO CITY	200,000	0	0	0	0	0	0	0	0	0	0	0	200,000
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	1,667,666	0	0	0	0	0	1,667,666	0	0	0	3,335,332
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	1,814,131	2,023,378	536,669	540,359	200,490	201,868	1,381,364	1,587,636	97,931	98,604	1,474,164	1,484,299	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	3,335,332												
- AVAILABLE CASH:	0			536,669									
- ALL TI FOR LAST FY:	518,000			536,669									
- % SALES TAX LAST FY:	320,025												
- PROP. A REV. DUE 7/1:	350,000												
- RES. FUND INC. THIS FY:	334,092												
+ BOND ADMIN. EXPENSES:	15,000												
- MANDATED SPECIAL TAX:	1,828,215												
TAX LEVY ON TENANTS:	877,000												
TAX LEVY ON DEVELOPER:	951,215												
DEVL. LOAN PRINC. BAL.:	757,969	757,969	757,969	246,565	246,565	722,173	722,173	722,173	722,173	1,197,780	1,197,780	1,197,780	
ACCRUED INTEREST BAL.:	6,316	12,633	18,949	0	2,055	4,127	10,145	16,163	22,181	28,199	38,415	48,632	
TOTAL DEVL. LOAN BAL.:	764,285	770,601	776,918	246,565	248,620	726,299	732,317	738,335	744,353	1,225,979	1,236,196	1,246,412	

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

BEGINNING CASH BALANCE	1,474,164
LESS NEXT D/S PMT.	1,667,666
CASH AVAIL. TO REPAY DEVL. LOAN	0
LESS BEGINNING	
DEVL. LOAN BAL. (P&I)	1,246,412
ENDING CASH BALANCE (LESS	
DEVL. LOAN REPMT.)	1,484,299

475,608 =====DEVL. LOAN/TAX LEVY== 475,608

DATE: 23-Jun-89  
FILE: WESNOW2A

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TABLE 2: NOTES ON CASHFLOW ASSUMPTIONS

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[1] SALES TAX INCREMENT allocated to this project are 85% of actual through FY04/05, then 70% from FY05/06 and thereafter. Sales tax revenues are credited to cashflows quarterly: 8/1, 11/1, 2/1, 5/1.

[2] PROPERTY TAX INCREMENT credited to cashflows semi-annually: 1/1, 5/1.

[3] PARK & RIDE REVENUES (Proposition A) credited annually each 7/1 from FY 90/91 through FY 94/95.

[4] MINIMUM SPECIAL TAX increases annually according to the OPA, Section 4.4.  
Both Minimum Special Tax and Developer Advances are credited to cashflows 1/1 and 5/1.

[5] RESERVE FUND EARNINGS assumed to be \$122,850 semi-annually, credited 9/1 and 3/1. Reserve fund dumps into cashflows in FY 22/23.

[6] GROSS DEBT SERVICE assumes two years of capitalized interest.

[7] CASH CONTRIBUTION TO CITY are deducted from first available revenues in cashflows (sales tax increment, property tax increment, Park & Ride revenues). If total amount for each fiscal year as specified in Section 4.5B of the OPA is not paid by 5/1, a Developer Advance is made.

SPECIAL TAX LEVY CALCULATION: starting 7/1/91 and each 7/1 thereafter.

=====

1. Start with the two debt service payments in the next calendar year (due next 3/1 and 9/1).
2. Subtract available cash (defined as beginning cash balance on 7/1 less debt service payment due 2 months later on 9/1).
3. Subtract an amount equal to all property tax increment received in the previous fiscal year.
4. Subtract an amount equal to 50% of sales tax increment received in the previous fiscal year.
5. Subtract the Park & Ride (Prop. A) revenue scheduled to be received that 7/1.
6. Subtract all debt service reserve fund earnings estimated to be received for the coming fiscal year.
7. Add bond administrative costs that are billed each 7/1 for that fiscal year (fiscal agent, rebate calculation, Agency costs)
8. Result is mandated special tax levy. Subtract Minimum Special Tax to arrive at Developer Advance requirement.

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY93/94

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	1,484,299	1,629,504	1,862,769	374,956	2,578	224,658	226,203	1,457,103	1,689,183	200,176	201,552	1,654,345	
REVENUES													
SALES TAX INCREMENT	0	222,063	0	0	222,063	0	0	222,063	0	0	222,063	0	888,250
PROPERTY TAX INCREMENT	0	0	0	0	0	0	207,000	0	0	0	207,000	0	414,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	62,500	0	0	0	62,500	0	125,000
PARK & RIDE (PROP. A)	350,000	0	0	0	0	0	0	0	0	0	0	0	350,000
MINIMUM SPECIAL TAX	0	0	0	0	0	0	532,500	0	0	0	532,500	0	1,065,000
DEVELOPER ADVANCE	0	0	0	0	0	0	427,345	0	0	0	427,345	0	854,690
REINV. INTEREST INCOME	10,205	11,203	12,807	2,578	18	1,545	1,555	10,018	11,613	1,376	1,386	11,374	75,675
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	360,205	233,265	179,853	2,578	222,080	1,545	1,230,900	232,080	178,659	1,376	1,452,793	11,374	4,106,707

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
CASH CONT. TO CITY	200,000	0	0	0	0	0	0	0	0	0	0	0	200,000
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	1,667,666	0	0	0	0	0	1,667,666	0	0	0	0	3,335,332
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	1,629,504	1,862,769	374,956	377,533	224,658	226,203	1,457,103	1,689,183	200,176	201,552	1,654,345	1,665,719	

\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*  
 NEXT TWO D/S PMTS (369): 3,510,332  
 - AVAILABLE CASH: 0  
 - ALL TI FOR LAST FY: 528,000  
 - % SALES TAX LAST FY: 393,550  
 - PROP. A REV. DUE 7/1: 350,000  
 - RES. FUND INC. THIS FY: 334,092  
 + BOND ADMIN. EXPENSES: 15,000  
 = MANDATED SPECIAL TAX: 1,919,690  
 TAX LEVY ON TENANTS: 1,065,000  
 TAX LEVY ON DEVELOPER: 854,690

DEVL. LOAN PRINC. BAL.: 1,197,780 1,197,780 1,197,780 912,323 912,323 1,339,668 1,339,668 1,339,668 1,339,668 1,767,013 1,767,013 1,767,013 1,767,013  
 ACCRUED INTEREST BAL.: 58,848 69,065 79,281 0 7,603 15,269 26,433 37,597 48,760 59,924 75,149 90,373 90,373  
 TOTAL DEVL. LOAN BAL.: 1,256,629 1,266,845 1,277,062 912,323 919,925 1,354,936 1,366,100 1,377,264 1,388,428 1,826,937 1,842,161 1,857,386

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*  
 BEGINNING CASH BALANCE: 1,654,345  
 LESS NEXT D/S PMT.: 1,842,666  
 CASH AVAIL. TO REPAY DEVL. LOAN: 0  
 LESS BEGINNING  
 DEVL. LOAN BAL. (P&I): 1,857,386  
 ENDING CASH BALANCE (LESS  
 DEVL. LOAN REPMT.): 1,665,719

427,345 -----DEVL. LOAN/TAX LEVY== 427,345

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOM2A

MONTHLY CASH FLOWS  
 =====  
 FY94/95

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	1,665,719	1,812,171	2,073,467	412,102	2,833	251,690	253,421	1,464,920	1,723,829	241,360	243,020	1,703,286	
REVENUES													
SALES TAX INCREMENT	0	248,838	0	0	248,838	0	0	248,838	0	0	248,838	0	995,350
PROPERTY TAX INCREMENT	0	0	0	0	0	0	211,000	0	0	0	211,000	0	422,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	63,500	0	0	0	63,500	0	127,000
PARK & RIDE (PROP. A)	350,000	0	0	0	0	0	0	0	0	0	0	0	350,000
MINIMUM SPECIAL TAX	0	0	0	0	0	0	564,000	0	0	0	564,000	0	1,128,000
DEVELOPER ADVANCE	0	0	0	0	0	0	371,258	0	0	0	371,258	0	742,515
REINV. INTEREST INCOME	11,452	12,459	14,255	2,833	19	1,730	1,742	10,071	11,851	1,659	1,671	11,710	81,454
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	361,452	261,296	181,301	2,833	248,857	1,730	1,211,500	258,909	178,897	1,659	1,460,266	11,710	4,180,411
OPERATING EXPENDITURES													
CASH CONT. TO CITY	200,000	0	0	0	0	0	0	0	0	0	0	0	200,000
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	1,842,666	0	0	0	0	0	1,661,366	0	0	0	3,504,032
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	1,812,171	2,073,467	412,102	414,935	251,690	253,421	1,464,920	1,723,829	241,360	243,020	1,703,286	1,714,996	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	3,522,732			412,102									1,703,286
- AVAILABLE CASH:	0			412,102									1,861,366
- ALL TI FOR LAST FY:	539,000												0
- & SALES TAX LAST FY:	444,125												0
- PROP. A REV. DUE 7/1:	350,000			1,918,284									2,375,427
- RES.FUND INC. THIS FY:	334,092			2,833									1,714,996
+ BOND ADMIN. EXPENSES:	15,000												0
= MANDATED SPECIAL TAX:	1,870,515												0
TAX LEVY ON TENANTS:	1,128,000												0
TAX LEVY ON DEVELOPER:	742,515												0
DEVL.P. LOAN PRINC. BAL.:	1,767,013	1,767,013	1,767,013	1,506,182	1,506,182	1,877,439	1,877,439	1,877,439	1,877,439	2,248,697	2,248,697	2,248,697	2,248,697
ACCRUED INTEREST BAL.:	105,598	120,822	136,047	0	12,552	25,208	40,853	56,498	72,144	87,789	107,260	126,730	126,730
TOTAL DEVL.P. LOAN BAL.:	1,872,610	1,887,835	1,903,059	1,506,182	1,518,733	1,902,647	1,918,292	1,933,937	1,949,583	2,336,486	2,355,956	2,375,427	2,375,427

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

BEGINNING CASH BALANCE	1,703,286
LESS NEXT D/S PMT.	1,861,366
CASH AVAIL. TO REPAY DEVL.P. LOAN	0
LESS BEGINNING	
DEVL.P. LOAN BAL. (P&I)	2,375,427
ENDING CASH BALANCE (LESS	
DEVL.P. LOAN REPMT.)	1,714,996
DEVL.P. LOAN/TAX LEVY	371,258

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY95/96

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	1,714,996	1,511,786	1,799,067	117,116	805	277,698	279,607	1,645,262	1,933,461	459,683	462,844	2,106,646	
REVENUES													
SALES TAX INCREMENT	0	276,888	0	0	276,888	0	0	276,888	0	0	276,888	0	1,107,550
PROPERTY TAX INCREMENT	0	0	0	0	0	0	215,000	0	0	0	215,000	0	430,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	65,000	0	0	0	65,000	0	130,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	564,000	0	0	0	564,000	0	1,128,000
DEVELOPER ADVANCE	0	0	0	0	0	0	519,733	0	0	0	519,733	0	1,039,465
REINV. INTEREST INCOME	11,791	10,394	12,369	805	6	1,909	1,922	11,311	13,293	3,160	3,182	14,483	84,624
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	11,791	287,281	1,79,415	805	276,893	1,909	1,365,655	288,199	180,339	3,160	1,643,802	14,483	4,253,731
OPERATING EXPENDITURES													
CASH CONT. TO CITY	200,000	0	0	0	0	0	0	0	0	0	0	0	200,000
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	1,861,366	0	0	0	0	0	1,654,116	0	0	0	3,515,482
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	1,511,786	1,799,067	117,116	117,921	277,698	279,607	1,645,262	1,933,461	459,683	462,844	2,106,646	2,121,129	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	3,533,232			117,116									2,106,646
- AVAILABLE CASH:	0												1,879,116
- ALL TI FOR LAST FY:	549,000			117,116									242,013
- % SALES TAX LAST FY:	497,675												
- PROP. A REV. DUE 7/1:	0			2,453,310									3,568,455
- RES.FUND INC. THIS FY:	334,092												
+ BOND ADMIN. EXPENSES:	15,000												
- MANDATED SPECIAL TAX:	2,167,465												
TAX LEVY ON TENANTS:	1,128,000												
TAX LEVY ON DEVELOPER:	1,039,465												
DEVLP. LOAN PRINC. BAL.:	2,248,697	2,248,697	2,248,697	2,248,697	2,248,697	2,248,697	2,768,429	2,768,429	2,768,429	3,288,162	3,288,162	3,288,162	
ACCRUED INTEREST BAL.:	146,201	165,672	185,142	87,497	106,966	126,596	150,396	174,195	197,994	221,794	251,043	38,280	
TOTAL DEVLP. LOAN BAL.:	2,394,898	2,414,368	2,433,839	2,336,194	2,355,662	2,895,025	2,918,825	2,942,624	2,966,423	3,509,955	3,539,205	3,326,442	

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

BEGINNING CASH BALANCE	2,106,646
LESS NEXT D/S PMT.	1,879,116
CASH AVAIL. TO REPAY DEVLP LOAN	242,013
LESS BEGINNING	
DEVLP. LOAN BAL. (P&I)	3,568,455
ENDING CASH BALANCE (LESS	
DEVLP. LOAN REPMT.)	1,879,116
DEVLP. LOAN/TAX LEVY==	519,733

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY96/97

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	1,879,116	1,677,035	1,994,990	296,635	2,039	308,478	310,599	1,665,205	1,983,078	517,854	521,414	2,183,894	
REVENUES													
SALES TAX INCREMENT	0	306,425	0	0	306,425	0	0	306,425	0	0	306,425	0	1,225,700
PROPERTY TAX INCREMENT	0	0	0	0	0	0	219,500	0	0	0	219,500	0	439,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	66,000	0	0	0	66,000	0	132,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	564,000	0	0	0	564,000	0	1,128,000
DEVELOPER ADVANCE	0	0	0	0	0	0	502,971	0	0	0	502,971	0	1,005,941
REINV. INTEREST INCOME	12,919	11,530	13,716	2,039	14	2,121	2,135	11,448	13,634	3,560	3,585	15,014	91,715
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	12,919	317,955	180,762	2,039	306,439	2,121	1,354,606	317,873	180,680	3,560	1,662,480	15,014	4,356,448

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
CASH CONT. TO CITY	200,000	0	0	0	0	0	0	0	0	0	0	0	200,000
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	1,879,116	0	0	0	0	0	1,645,904	0	0	0	3,525,020
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0

ENDING BALANCE	1,677,035	1,994,990	296,635	298,674	308,478	310,599	1,665,205	1,983,078	517,854	521,414	2,183,894	2,198,909	
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\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*

NEXT TWO D/S PMTS (3&9):	3,566,808												
- AVAILABLE CASH:	0			296,635									2,183,894
- ALL TI FOR LAST FY:	560,000												1,920,904
- & SALES TAX LAST FY:	553,775			296,635									278,005
- PROP. A REV. DUE 7/1:	0												
- RES. FUND INC. THIS FY:	334,092			3,437,323									4,392,658
+ BOND ADMIN. EXPENSES:	15,000												
= MANDATED SPECIAL TAX:	2,133,941												
TAX LEVY ON TENANTS:	1,128,000												1,920,904
TAX LEVY ON DEVELOPER:	1,005,941												502,971

DEVL. LOAN PRINC. BAL.:	3,288,162	3,288,162	3,288,162	3,140,688	3,140,688	3,643,658	3,643,658	3,643,658	3,643,658	4,146,629	4,146,629	4,114,653	
ACCRUED INTEREST BAL.:	66,000	93,721	121,441	0	26,172	52,563	82,927	113,291	143,654	174,018	210,024	0	
TOTAL DEVL. LOAN BAL.:	3,354,162	3,381,882	3,409,603	3,140,688	3,166,860	3,696,221	3,726,585	3,756,949	3,787,313	4,320,647	4,356,652	4,114,653	

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRE  
 FASHION PLAZA PROJECT  
 MONTHLY CASH FLOWS  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY97/98

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	1,920,904	1,719,110	2,068,379	328,741	2,260	339,726	342,061	1,682,740	2,031,759	576,975	580,942	2,260,713	
REVENUES													
SALES TAX INCREMENT	0	337,450	0	0	337,450	0	0	337,450	0	0	337,450	0	1,349,800
PROPERTY TAX INCREMENT	0	0	0	0	0	0	224,000	0	0	0	224,000	0	448,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	67,500	0	0	0	67,500	0	135,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	564,000	0	0	0	564,000	0	1,128,000
DEVELOPER ADVANCE	0	0	0	0	0	0	482,827	0	0	0	482,827	0	965,654
REINV. INTEREST INCOME	13,206	11,819	14,220	2,260	16	2,336	2,352	11,569	13,968	3,967	3,994	15,542	95,248
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	13,206	349,269	181,266	2,260	337,466	2,336	1,340,679	349,019	181,014	3,967	1,679,771	15,542	4,455,794
OPERATING EXPENDITURES													
CASH CONT. TO CITY	200,000	0	0	0	0	0	0	0	0	0	0	0	200,000
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	1,920,904	0	0	0	0	0	1,635,798	0	0	0	3,556,702
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	1,719,110	2,068,379	328,741	331,001	339,726	342,061	1,682,740	2,031,759	576,975	580,942	2,260,713	2,276,255	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	3,596,596			328,741									2,260,713
- AVAILABLE CASH:	0												1,960,798
- ALL TI FOR LAST FY:	571,000												
- & SALES TAX LAST FY:	612,850												
- PROP. A REV. DUE 7/1:	0			4,251,808									5,186,262
- RES. FUND INC. THIS FY:	334,092												
+ BOND ADMIN. EXPENSES:	15,000												
= MANDATED SPECIAL TAX:	2,093,654												
TAX LEVY ON TENANTS:	1,128,000			2,260									1,960,798
TAX LEVY ON DEVELOPER:	965,654												482,827
DEVL. LOAN PRINC. BAL.:	4,114,653	4,114,653	3,923,067	3,923,067	4,405,894	4,405,894	4,405,894	4,405,894	4,405,894	4,888,721	4,888,721	4,870,805	
ACCRUED INTEREST BAL.:	34,289	68,578	102,866	0	32,692	65,657	102,373	139,088	175,804	212,520	255,030	0	
TOTAL DEVL. LOAN BAL.:	4,148,942	4,183,231	4,217,519	3,923,067	3,955,759	4,471,551	4,508,267	4,544,983	4,581,698	5,101,241	5,143,751	4,870,805	

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY98/99

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	1,960,798	1,759,278	2,141,549	362,520	2,492	372,684	375,247	1,708,103	2,090,022	647,664	652,116	2,357,052	
REVENUES													
SALES TAX INCREMENT	0	370,175	0	0	370,175	0	0	370,175	0	0	370,175	0	1,480,700
PROPERTY TAX INCREMENT	0	0	0	0	0	0	228,500	0	0	0	228,500	0	457,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	66,500	0	0	0	66,500	0	133,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	564,000	0	0	0	564,000	0	1,128,000
DEVELOPER ADVANCE	0	0	0	0	0	0	471,277	0	0	0	471,277	0	942,554
REINV. INTEREST INCOME	13,480	12,095	14,723	2,492	17	2,562	2,580	11,743	14,369	4,453	4,483	16,205	99,203
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	13,480	382,270	181,769	2,492	370,192	2,562	1,332,857	381,918	181,415	4,453	1,704,935	16,205	4,574,549
OPERATING EXPENDITURES													
CASH CONT. TO CITY	200,000	0	0	0	0	0	0	0	0	0	0	0	200,000
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	1,960,798	0	0	0	0	0	1,623,773	0	0	0	0	3,584,571
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	1,759,278	2,141,549	362,520	365,012	372,684	375,247	1,708,103	2,090,022	647,664	652,116	2,357,052	2,373,256	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	3,647,546												2,357,052
- AVAILABLE CASH:	0												2,023,773
- ALL TI FOR LAST FY:	583,000												349,483
- & SALES TAX LAST FY:	674,900												
- PROP. A REV. DUE 7/1:	0												
- RES.FUND INC. THIS FY:	334,092												
+ BOND ADMIN. EXPENSES:	15,000												
= MANDATED SPECIAL TAX:	2,070,554												
TAX LEVY ON TENANTS:	1,128,000												
TAX LEVY ON DEVELOPER:	942,554												
DEVL. LOAN PRINC. BAL.:	4,870,805	4,870,805	4,870,805	4,670,645	4,670,645	5,141,922	5,141,922	5,141,922	5,141,922	5,141,922	5,613,199	5,610,994	
ACCRUED INTEREST BAL.:	40,590	81,180	121,770	0	38,922	78,168	121,018	163,867	206,716	249,566	298,422	0	
TOTAL DEVL. LOAN BAL.:	4,911,395	4,951,985	4,992,575	4,670,645	4,709,567	5,220,090	5,262,940	5,305,789	5,348,639	5,862,765	5,911,621	5,610,994	

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

BEGINNING CASH BALANCE	362,520												2,357,052
LESS NEXT D/S PMT.													2,023,773
CASH AVAIL. TO REPAY DEVL. LOAN	362,520												349,483
LESS BEGINNING													
DEVL. LOAN BAL. (P&I)	5,033,165												5,960,478
ENDING CASH BALANCE (LESS	2,492												2,023,773
DEVL. LOAN REPMT.)													

471,277 \*\*\*\*\*DEVL. LOAN/TAX LEVY= 471,277



SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.7% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MONTHLY CASH FLOWS  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOWZA

FY99/00

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,023,773	1,821,742	2,237,591	395,204	2,533	406,724	409,330	1,737,105	2,152,412	724,379	729,021	2,463,020	
REVENUES													
SALES TAX INCREMENT	0	404,175	0	0	404,175	0	0	404,175	0	0	404,175	0	1,616,700
PROPERTY TAX INCREMENT	0	0	0	0	0	0	233,000	0	0	0	233,000	0	466,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	70,500	0	0	0	70,500	0	141,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	564,000	0	0	0	564,000	0	1,128,000
DEVELOPER ADVANCE	0	0	0	0	0	0	457,652	0	0	0	457,652	0	915,304
REINV. INTEREST INCOME	12,969	11,674	14,339	2,533	16	2,606	2,623	11,132	13,793	4,642	4,672	15,784	96,784
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	12,969	415,849	181,385	2,533	404,191	2,606	1,327,775	415,307	180,839	4,642	1,733,999	15,784	4,697,880

OPERATING EXPENDITURES

CASH CONT. TO CITY	200,000	0	0	0	0	0	0	0	0	0	0	0	200,000
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,023,773	0	0	0	0	0	1,608,873	0	0	0	3,632,646
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0

ENDING BALANCE 1,821,742 2,237,591 395,204 397,736 406,724 409,330 1,737,105 724,379 729,021 2,463,020 2,478,803

\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*

NEXT TWO D/S PMTS (3&9):	3,692,746												
- AVAILABLE CASH:	0												
- ALL TI FOR LAST FY:	590,000												
- % SALES TAX LAST FY:	740,350												
- PROP. A REV. DUE 7/1:	0												
- RES.FUND INC. THIS FY:	334,092												
+ BOND ADMIN. EXPENSES:	15,000												
= MANDATED SPECIAL TAX:	2,043,304												
TAX LEVY ON TENANTS:	1,128,000												
TAX LEVY ON DEVELOPER:	915,304												
DEVL. LOAN PRINC. BAL.:	5,610,994	5,610,994	5,610,994	5,402,824	5,402,824	5,860,476	5,860,476	5,860,476	5,860,476	6,318,128	6,318,128	6,318,128	6,318,128
ACCRUED INTEREST BAL.:	46,758	93,517	140,275	0	45,024	90,422	139,260	188,097	236,934	285,771	340,804	906	906
TOTAL DEVL. LOAN BAL.:	5,657,753	5,704,511	5,751,269	5,402,824	5,447,847	5,950,898	5,999,735	6,048,573	6,097,410	6,603,899	6,658,932	6,319,034	6,319,034

457,652 -----DEVL. LOAN/TAX LEVY== 457,652

2,463,020  
2,083,873  
394,930  
6,713,964  
2,083,873

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOWZA

MONTHLY CASH FLOWS  
 =====  
 FY00/01

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,083,873	2,082,227	2,535,658	635,081	4,070	444,183	447,030	1,761,734	2,213,111	803,279	808,427	2,565,534	
REVENUES													
SALES TAX INCREMENT	0	440,088	0	0	440,088	0	0	440,088	0	0	440,088	0	1,760,350
PROPERTY TAX INCREMENT	0	0	0	0	0	0	237,500	0	0	0	237,500	0	475,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	73,000	0	0	0	73,000	0	146,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	564,000	0	0	0	564,000	0	1,128,000
DEVELOPER ADVANCE	0	0	0	0	0	0	437,339	0	0	0	437,339	0	874,678
REINV. INTEREST INCOME	13,354	13,344	16,249	4,070	26	2,846	2,865	11,290	14,182	5,148	5,181	16,441	104,995
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	13,354	453,431	183,295	4,070	440,114	2,846	1,314,704	451,377	181,228	5,148	1,757,107	16,441	4,823,115

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,083,873	0	0	0	0	0	1,591,060	0	0	0	3,674,933
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	2,082,227	2,535,658	635,081	639,150	444,183	447,030	1,761,734	2,213,111	803,279	808,427	2,565,534	2,581,975	

\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*  
 NEXT TWO D/S PMTS (3&9): 3,737,120  
 - AVAILABLE CASH: 0  
 - ALL TI FOR LAST FY: 607,000  
 - % SALES TAX LAST FY: 808,350  
 - PROP. A REV. DUE 7/1: 0  
 - RES. FUND INC. THIS FY: 334,092  
 + BOND ADMIN. EXPENSES: 15,000  
 = MANDATED SPECIAL TAX: 2,002,678  
 TAX LEVY ON TENANTS: 1,128,000  
 TAX LEVY ON DEVELOPER: 874,678

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*  
 BEGINNING CASH BALANCE: 2,565,534  
 LESS NEXT D/S PMT.: 2,146,060  
 CASH AVAIL. TO REPAY DEVLP LOAN: 435,915  
 LESS BEGINNING  
 DEVLP. LOAN BAL. (PAI): 7,196,966  
 ENDING CASH BALANCE (LESS  
 DEVLP. LOAN REPMT.): 2,146,060  
 437,339 = DEVLP. LOAN/TAX LEVY = 437,339

DEVLP. LOAN PRINC. BAL.: 6,318,128  
 ACCRUED INTEREST BAL.: 53,565  
 TOTAL DEVLP. LOAN BAL.: 6,371,693

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MONTHLY CASH FLOWS  
 MELLO-ROOS BONDS

DATE: 23-JUN-89  
 FILE: WESNOW2A

FY01/02

MONTH BEG. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,146,060	2,144,813	2,636,470	674,351	4,321	482,262	485,352	1,765,577	2,254,804	866,051	871,601	2,632,214	
REVENUES													
SALES TAX INCREMENT	0	477,913	0	0	477,913	0	0	477,913	0	0	477,913	0	1,911,650
PROPERTY TAX INCREMENT	0	0	0	0	0	0	242,500	0	0	0	242,500	0	485,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	74,500	0	0	0	74,500	0	149,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	620,500	0	0	0	620,500	0	1,241,000
DEVELOPER ADVANCE	0	0	0	0	0	0	339,615	0	0	0	339,615	0	679,229
REINV. INTEREST INCOME	13,753	13,745	16,895	4,321	28	3,090	3,110	11,314	14,450	5,550	5,586	16,868	108,710
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	13,753	491,657	183,941	4,321	477,940	3,090	1,280,225	489,227	181,496	5,550	1,760,613	16,868	4,908,681

OPERATING EXPENDITURES

CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,146,060	0	0	0	0	1,570,248	0	0	0	0	3,716,308
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0

ENDING BALANCE	2,144,813	2,636,470	674,351	678,673	482,262	485,352	1,765,577	2,254,804	866,051	871,601	2,632,214	2,649,082	
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\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*

NEXT TWO D/S PMTS (3&9):	3,740,496												
- AVAILABLE CASH:	0			674,351									
- ALL TI FOR LAST FY:	621,000			674,351									
- % SALES TAX LAST FY:	880,175			674,351									
- PROP. A REV. DUE 7/1:	0			6,986,419									
- RES. FUND INC. THIS FY:	334,092			4,321									
+ BOND ADMIN. EXPENSES:	15,000												
- MANDATED SPECIAL TAX:	1,920,229												
TAX LEVY ON TENANTS:	1,241,000												
TAX LEVY ON DEVELOPER:	679,229												
													339,615
													DEVL. LOAN TAX LEVY==
													339,615

DEVL. LOAN PRINC. BAL.:	6,761,051	6,761,051	6,761,051	6,312,068	6,312,068	6,651,682	6,651,682	6,651,682	6,651,682	6,991,297	6,991,297	6,991,297	6,961,803
ACCRUED INTEREST BAL.:	56,342	112,684	169,026	0	52,601	105,639	161,070	216,501	271,932	327,362	388,351	0	0
TOTAL DEVL. LOAN BAL.:	6,817,393	6,873,735	6,930,077	6,312,068	6,364,668	6,757,322	6,812,752	6,868,183	6,923,614	7,318,659	7,379,648	6,961,803	

FY02/03

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,170,248	2,169,156	2,700,494	714,598	4,579	522,046	525,392	1,767,398	2,296,162	930,324	936,286	2,698,363	
REVENUES													
SALES TAX INCREMENT	0	517,438	0	0	517,438	0	0	517,438	0	0	517,438	0	2,069,750
PROPERTY TAX INCREMENT	0	0	0	0	0	0	247,000	0	0	0	247,000	0	494,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	76,000	0	0	0	76,000	0	152,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	620,500	0	0	0	620,500	0	1,241,000
DEVELOPER ADVANCE	0	0	0	0	0	0	295,140	0	0	0	295,140	0	590,279
REINV. INTEREST INCOME	13,908	13,901	17,306	4,579	29	3,345	3,367	11,326	14,715	5,962	6,000	17,292	111,730
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	13,908	531,338	184,352	4,579	517,467	3,345	1,242,006	528,764	181,761	5,962	1,762,077	17,292	4,992,851

OPERATING EXPENDITURES

CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,170,248	0	0	0	0	0	1,547,598	0	0	0	3,717,846
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0

ENDING BALANCE	2,169,156	2,700,494	714,598	719,177	522,046	525,392	1,767,398	2,296,162	930,324	936,286	2,698,363	2,715,655	
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\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*

NEXT TWO D/S PMTS (369):	3,740,196
- AVAILABLE CASH:	0
- ALL TI FOR LAST FY:	634,000
- & SALES TAX LAST FY:	955,825
- PROP. A REV. DUE 7/1:	0
- RES.FUND INC. THIS FY:	334,092
+ BOND ADMIN. EXPENSES:	15,000
= MANDATED SPECIAL TAX:	1,831,279
TAX LEVY ON TENANTS:	1,241,000
TAX LEVY ON DEVELOPER:	590,279
DEVL.P. LOAN PRINC. BAL.:	6,961,803
ACCRUED INTEREST BAL.:	58,015
TOTAL DEVL.P. LOAN BAL.:	7,019,818
DEVL.P. LOAN BAL.:	6,961,803
ACCRUED INTEREST BAL.:	58,015
TOTAL DEVL.P. LOAN BAL.:	7,019,818

ENDING BALANCE	2,169,156
LESS NEXT D/S PMT.	2,698,363
CASH AVAIL. TO REPAY DEVL.P. LOAN	2,192,598
LESS BEGINNING	523,057
DEVL.P. LOAN BAL. (P&I)	7,527,192
ENDING CASH BALANCE (LESS	
DEVL.P. LOAN REPMT.)	2,192,598
DEVL.P. LOAN/TAX LEVY	295,140
DEVL.P. LOAN PRINC. BAL.:	6,961,803
ACCRUED INTEREST BAL.:	58,015
TOTAL DEVL.P. LOAN BAL.:	7,019,818
DEVL.P. LOAN PRINC. BAL.:	6,961,803
ACCRUED INTEREST BAL.:	58,015
TOTAL DEVL.P. LOAN BAL.:	7,019,818

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.7% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MONTHLY CASH FLOWS  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOWZA

FY03/04

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,192,598	2,191,649	2,764,569	756,733	4,849	563,755	567,368	1,781,109	2,351,398	1,010,424	1,016,899	2,792,395	
REVENUES													
SALES TAX INCREMENT	0	558,875	0	0	558,875	0	0	558,875	0	0	558,875	0	2,235,500
PROPERTY TAX INCREMENT	0	0	0	0	0	0	252,000	0	0	0	252,000	0	504,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	77,500	0	0	0	77,500	0	155,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	620,500	0	0	0	620,500	0	1,241,000
DEVELOPER ADVANCE	0	0	0	0	0	0	260,105	0	0	0	260,105	0	520,209
REINV. INTEREST INCOME	14,051	14,045	17,716	4,849	31	3,613	3,636	11,414	15,069	6,475	6,517	17,895	115,310
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	14,051	572,920	184,762	4,849	558,906	3,613	1,213,740	570,289	182,115	6,475	1,775,496	17,895	5,105,111
OPERATING EXPENDITURES													
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	2,192,598	0	0	0	0	0	0	1,523,088	0	0	0	3,715,686
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	2,191,649	2,764,569	756,733	761,582	563,755	567,368	1,781,109	2,351,398	1,010,424	1,016,899	2,792,395	2,810,290	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3g9):	3,761,176			756,733									2,792,395
- AVAILABLE CASH:	0												2,238,088
- ALL TI FOR LAST FY:	646,000			756,733									572,202
- SALES TAX LAST FY:	1,034,875												
- PROP. A REV. DUE 7/1:	0			7,237,606									7,456,484
- RES. FUND INC. THIS FY:	334,092												
+ BOND ADMIN. EXPENSES:	15,000												
= MANDATED SPECIAL TAX:	1,761,209												
TAX LEVY ON TENANTS:	1,241,000												
TAX LEVY ON DEVELOPER:	520,209												
				4,849									260,105
													260,105
													260,105
DEVL. LOAN PRINC. BAL.:	7,004,135	7,004,135	7,004,135	6,480,873	6,480,873	6,480,873	6,740,978	6,740,978	6,740,978	7,001,082	7,001,082	6,884,282	
ACCRUED INTEREST BAL.:	58,368	116,736	175,103	0	54,007	108,465	164,639	220,814	276,989	333,164	394,283	0	
TOTAL DEVL. LOAN BAL.:	7,062,503	7,120,871	7,179,238	6,480,873	6,534,880	6,849,442	6,905,617	6,961,792	7,017,967	7,334,246	7,395,365	6,884,282	

SCENARIO 2 : MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MONTHLY CASH FLOWS  
 MELLO-ROOS BONDS  
 \*\*\*\*\*  
 FY04/05

23-Jun-89  
 DATE:  
 FILE: WESNOWZA

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,238,088	2,237,430	2,854,419	801,669	5,137	607,820	611,715	1,794,632	2,408,783	1,095,347	1,102,367	2,891,078	
REVENUES													
SALES TAX INCREMENT	0	602,650	0	0	602,650	0	0	602,650	0	0	602,650	0	2,410,600
PROPERTY TAX INCREMENT	0	0	0	0	0	0	257,000	0	0	0	257,000	0	514,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	79,000	0	0	0	79,000	0	158,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	620,500	0	0	0	620,500	0	1,241,000
DEVELOPER ADVANCE	0	0	0	0	0	0	222,497	0	0	0	222,497	0	444,994
REINV. INTEREST INCOME	14,342	14,338	18,292	5,137	33	3,895	3,920	11,501	15,436	7,019	7,064	18,527	119,506
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	14,342	616,988	185,338	5,137	602,683	3,895	1,182,917	614,151	182,482	7,019	1,788,711	18,527	5,222,192

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,238,088	0	0	0	0	0	1,495,918	0	0	0	3,734,006
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	2,237,430	2,854,419	801,669	806,806	607,820	611,715	1,794,632	2,408,783	1,095,347	1,102,367	2,891,078	2,909,605	

\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*  
 NEXT TWO D/S PMTS (3&9): 3,781,836  
 - AVAILABLE CASH: 0  
 - ALL TI FOR LAST FY: 659,000  
 - % SALES TAX LAST FY: 1,117,750  
 - PROP. A REV. DUE 7/1: 0  
 - RES.FUND INC. THIS FY: 334,092  
 + BOND ADMIN. EXPENSES: 15,000  
 = MANDATED SPECIAL TAX: 1,685,994  
 TAX LEVY ON TENANTS: 1,241,000  
 TAX LEVY ON DEVELOPER: 444,994  
 222,497 -----DEVL. LOAN/TAX LEVY== 222,497

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*  
 801,669 -----BEGINNING CASH BALANCE----- 2,891,078  
 LESS NEXT D/S PMT.----- 2,285,918  
 801,669 -----CASH AVAIL. TO REPAY DEVL. LOAN----- 623,687  
 LESS BEGINNING  
 7,113,758 -----DEVL. LOAN BAL. (P&I)----- 7,198,551  
 5,137 -----ENDING CASH BALANCE (LESS DEVL. LOAN REPMT.)----- 2,285,918

DEVL. LOAN PRINC. BAL.: 6,884,282 6,884,282 6,312,089 6,312,089 6,534,586 6,534,586 6,534,586 6,757,083 6,757,083 6,574,864  
 ACCRUED INTEREST BAL.: 57,369 114,738 172,107 0 52,601 105,640 160,095 214,550 269,004 323,459 382,464 0  
 TOTAL DEVL. LOAN BAL.: 6,941,651 6,999,020 7,056,389 6,312,089 6,364,690 6,640,226 6,694,681 6,749,136 6,803,590 7,080,542 7,139,547 6,574,864

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOWZA

MONTHLY CASH FLOWS  
 =====  
 FY05/06

MONTH BEGINS. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,285,918	2,285,567	2,834,314	733,605	4,701	538,831	542,284	1,708,566	2,253,616	969,600	975,814	2,678,974	
REVENUES													
SALES TAX INCREMENT	0	534,100	0	0	534,100	0	0	534,100	0	0	534,100	0	2,136,400
PROPERTY TAX INCREMENT	0	0	0	0	0	0	262,500	0	0	0	262,500	0	525,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	80,500	0	0	0	80,500	0	161,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	620,500	0	0	0	620,500	0	1,241,000
DEVELOPER ADVANCE	0	0	0	0	0	0	199,307	0	0	0	199,307	0	398,614
REINV. INTEREST INCOME	14,649	14,647	18,163	4,701	30	3,453	3,475	10,949	14,442	6,214	6,253	17,168	114,144
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	14,649	548,747	185,209	4,701	534,130	3,453	1,166,282	545,049	181,488	6,214	1,703,160	17,168	4,910,250

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,285,918	0	0	0	0	0	1,465,503	0	0	0	3,751,421
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0

ENDING BALANCE	2,285,567	2,834,314	733,605	738,306	538,831	542,284	1,708,566	2,253,616	969,600	975,814	2,678,974	2,696,142	
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\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*  
 NEXT TWO D/S PMTS (3&9): 3,836,006  
 - AVAILABLE CASH: 0  
 - ALL TI FOR LAST FY: 672,000  
 - \$ SALES TAX LAST FY: 1,205,300  
 - PROP. A REV. DUE 7/1: 0  
 - RES.FUND INC. THIS FY: 334,092  
 + BOND ADMIN. EXPENSES: 15,000  
 = MANDATED SPECIAL TAX: 1,639,614  
 TAX LEVY ON TENANTS: 1,241,000  
 TAX LEVY ON DEVELOPER: 398,614

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*  
 BEGINNING CASH BALANCE----- 2,678,974  
 LESS NEXT D/S PMT.----- 2,370,503  
 CASH AVAIL. TO REPAY DEVLN LOAN----- 325,639  
 LESS BEGINNING  
 DEVLN. LOAN BAL. (P&I)----- 6,881,940  
 ENDING CASH BALANCE (LESS  
 DEVLN. LOAN REPMT.)----- 2,370,503  
 199,307 -----DEVLN. LOAN/TAX LEVY== 199,307

DEVLN. LOAN PRINC. BAL.:	6,574,864	6,574,864	6,574,864	6,060,422	6,060,422	6,259,729	6,259,729	6,259,729	6,259,729	6,459,036	6,459,036	6,459,036	6,459,036
ACCRUED INTEREST BAL.:	54,791	109,581	164,372	0	50,504	101,428	153,592	205,757	257,921	310,086	366,495	97,265	97,265
TOTAL DEVLN. LOAN BAL.:	6,629,655	6,684,445	6,739,236	6,060,422	6,110,925	6,361,157	6,413,321	6,465,485	6,517,650	6,769,121	6,825,530	6,556,301	6,556,301

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRE  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

MONTHLY CASH FLOWS  
 =====  
 FY06/07

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,370,503	2,370,694	2,959,536	775,045	4,967	578,649	582,357	1,819,603	2,404,913	1,156,711	1,164,123	2,978,747	
REVENUES													
SALES TAX INCREMENT	0	573,650	0	0	573,650	0	0	573,650	0	0	573,650	0	2,294,600
PROPERTY TAX INCREMENT	0	0	0	0	0	0	267,500	0	0	0	267,500	0	535,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	82,000	0	0	0	82,000	0	164,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	682,500	0	0	0	682,500	0	1,365,000
DEVELOPER ADVANCE	0	0	0	0	0	0	201,514	0	0	0	201,514	0	403,028
REINV. INTEREST INCOME	15,191	15,192	18,966	4,967	32	3,708	3,732	11,661	15,411	7,413	7,460	19,089	122,821
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	15,191	588,842	186,012	4,967	573,682	3,708	1,237,246	585,311	182,457	7,413	1,814,624	19,089	5,218,541

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,370,503	0	0	0	0	0	1,430,660	0	0	0	3,801,163
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0

ENDING BALANCE 2,370,694 2,959,536 775,045 780,012 578,649 582,357 1,819,603 2,404,913 1,156,711 1,164,123 2,978,747 2,997,836

\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*

NEXT TWO D/S PMTS (3&9):	3,841,320
- AVAILABLE CASH:	0
- ALL TI FOR LAST FY:	686,000
- % SALES TAX LAST FY:	1,068,200
- PROP. A REV. DUE 7/1:	0
- RES.FUND INC. THIS FY:	334,092
+ BOND ADMIN. EXPENSES:	15,000
= MANDATED SPECIAL TAX:	1,768,028
TAX LEVY ON TENANTS:	1,365,000
TAX LEVY ON DEVELOPER:	403,028
DEVLPR. LOAN PRINC. BAL.:	6,459,036
ACCRUED INTEREST BAL.:	151,901
TOTAL DEVLPR. LOAN BAL.:	6,610,937
DEVLPR. LOAN BAL. (P&I):	6,821,784
ENDING CASH BALANCE (LESS):	2,410,660
DEVLPR. LOAN REPMT.:	2,410,660
DEVLPR. LOAN/TAX LEVY==:	201,514

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

BEGINNING CASH BALANCE:	2,978,747
LESS NEXT D/S PMT.:	2,410,660
CASH AVAIL. TO REPAY DEVLPR LOAN:	587,176
LESS BEGINNING:	
DEVLPR. LOAN BAL. (P&I):	6,821,784
ENDING CASH BALANCE (LESS):	2,410,660
DEVLPR. LOAN REPMT.:	2,410,660
DEVLPR. LOAN/TAX LEVY==:	201,514

DEVLPR. LOAN PRINC. BAL.:	6,459,036
ACCRUED INTEREST BAL.:	151,901
TOTAL DEVLPR. LOAN BAL.:	6,610,937
DEVLPR. LOAN BAL. (P&I):	6,821,784
ENDING CASH BALANCE (LESS):	2,410,660
DEVLPR. LOAN REPMT.:	2,410,660
DEVLPR. LOAN/TAX LEVY==:	201,514



SCENARIO 2 : MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY07/08

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,410,660	2,411,108	3,041,859	817,739	5,240	620,574	624,551	1,828,287	2,455,303	1,245,154	1,253,133	3,076,198	
REVENUES													
SALES TAX INCREMENT	0	615,300	0	0	615,300	0	0	615,300	0	0	615,300	0	2,461,200
PROPERTY TAX INCREMENT	0	0	0	0	0	0	273,000	0	0	0	273,000	0	546,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	84,000	0	0	0	84,000	0	168,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	682,500	0	0	0	682,500	0	1,365,000
DEVELOPER ADVANCE	0	0	0	0	0	0	160,234	0	0	0	160,234	0	320,468
REINV. INTEREST INCOME	15,448	15,451	19,493	5,240	34	3,977	4,002	11,716	15,734	7,979	8,030	19,713	126,820
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	15,448	630,751	186,539	5,240	615,334	3,977	1,203,736	627,016	182,780	7,979	1,823,064	19,713	5,321,580
OPERATING EXPENDITURES													
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,410,660	0	0	0	0	1,392,930	0	0	0	0	3,803,590
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	2,411,108	3,041,859	817,739	822,979	620,574	624,551	1,828,287	2,455,303	1,245,154	1,253,133	3,076,198	3,095,911	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	3,850,860			817,739									3,076,198
- AVAILABLE CASH:	0												2,457,930
- ALL TI FOR LAST FY:	699,000												637,981
- % SALES TAX LAST FY:	1,147,300												
- PROP. A REV. DUE 7/1:	0			6,442,427									6,335,595
- RES.FUND INC. THIS FY:	334,092												
+ BOND ADMIN. EXPENSES:	15,000												
= MANDATED SPECIAL TAX:	1,685,468												
TAX LEVY ON TENANTS:	1,365,000			5,240									2,457,930
TAX LEVY ON DEVELOPER:	320,468												
					160,234								160,234
DEVL. LOAN PRINC. BAL.:	6,234,607	6,234,607	6,234,607	5,624,689	5,624,689	5,784,923	5,784,923	5,784,923	5,784,923	5,945,157	5,945,157	5,945,157	5,697,614
ACCRUED INTEREST BAL.:	51,955	103,910	155,865	0	46,872	93,745	141,953	190,160	238,368	286,576	338,507	338,507	0
TOTAL DEVL. LOAN BAL.:	6,286,562	6,338,517	6,390,472	5,624,689	5,671,561	5,878,668	5,926,875	5,975,083	6,023,291	6,231,732	6,283,663	6,283,663	5,697,614



MONTHLY CASH FLOWS  
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 FY09/10

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,516,928	2,518,057	3,238,919	909,793	5,830	710,593	715,146	1,852,883	2,569,482	1,445,919	1,534,839	3,302,900	
REVENUES													
SALES TAX INCREMENT	0	704,725	0	0	704,725	0	0	704,725	0	0	704,725	0	2,818,900
PROPERTY TAX INCREMENT	0	0	0	0	0	0	284,000	0	0	0	284,000	0	568,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	87,000	0	0	0	87,000	0	174,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	682,500	0	0	0	682,500	0	1,365,000
DEVELOPER ADVANCE	0	0	0	0	0	0	79,654	0	0	79,654	0	0	159,308
REINV. INTEREST INCOME	16,129	16,137	20,756	5,830	37	4,554	4,583	11,874	16,466	9,266	9,836	21,166	136,634
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	16,129	720,862	187,802	5,830	704,762	4,554	1,137,737	716,599	183,512	88,920	1,768,061	21,166	5,555,934

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,516,928	0	0	0	0	0	1,307,075	0	0	0	3,824,003
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0

ENDING BALANCE	2,518,057	3,238,919	909,793	915,623	710,593	715,146	1,852,883	2,569,482	1,445,919	1,534,839	3,302,900	3,324,066	
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\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*  
 NEXT TWO D/S PMTS (3&9): 3,889,150  
 - AVAILABLE CASH: 0  
 - ALL TI FOR LAST FY: 728,000  
 - & SALES TAX LAST FY: 1,317,750  
 - PROP. A REV. DUE 7/1: 0  
 - RES.FUND INC. THIS FY: 334,092  
 + BOND ADMIN. EXPENSES: 15,000  
 = MANDATED SPECIAL TAX: 1,524,308  
 TAX LEVY ON TENANTS: 1,365,000  
 TAX LEVY ON DEVELOPER: 159,308

DEVL. LOAN PRINC. BAL.: 4,924,839 4,924,839 4,924,839 4,179,208 4,179,208 4,258,862 4,258,862 4,258,862 4,258,862 4,338,516 4,338,516 4,338,516 3,883,976  
 ACCRUED INTEREST BAL.: 41,040 82,081 123,121 0 34,827 69,653 105,144 140,634 176,125 211,616 249,533 0  
 TOTAL DEVL. LOAN BAL.: 4,965,880 5,006,920 5,047,960 4,179,208 4,214,035 4,328,515 4,364,006 4,399,496 4,434,987 4,550,131 4,588,049 4,588,049 3,883,976

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*  
 BEGINNING CASH BALANCE: 3,302,900  
 LESS NEXT D/S PMT.: 2,582,075  
 CASH AVAIL. TO REPAY DEVL. LOAN: 741,991  
 LESS BEGINNING  
 DEVL. LOAN BAL. (P&I): 4,625,967  
 ENDING CASH BALANCE (LESS  
 DEVL. LOAN REPMT.): 2,582,075

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

MONTHLY CASH FLOWS  
 =====  
 FY10/11

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual
BEGINNING BALANCE	2,582,075	2,583,622	3,353,029	959,487	6,149	759,038	763,902	1,872,015	2,636,861	1,562,817	1,572,832	3,438,978	
REVENUES													Totals
SALES TAX INCREMENT	0	752,850	0	0	752,850	0	0	752,850	0	0	752,850	0	3,011,400
PROPERTY TAX INCREMENT	0	0	0	0	0	0	289,500	0	0	0	289,500	0	579,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	88,500	0	0	0	88,500	0	177,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	682,500	0	0	0	682,500	0	1,365,000
DEVELOPER ADVANCE	0	0	0	0	0	0	42,717	0	0	0	42,717	0	85,434
REINV. INTEREST INCOME	16,547	16,557	21,487	6,149	39	4,864	4,895	11,996	16,898	10,015	10,079	22,038	141,565
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	16,547	769,407	188,533	6,149	752,889	4,864	1,108,112	764,846	183,944	10,015	1,866,146	22,038	5,693,491

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,582,075	0	0	0	0	0	1,257,988	0	0	0	3,840,063
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0

ENDING BALANCE	2,583,622	3,353,029	959,487	965,636	759,038	763,902	1,872,015	2,636,861	1,562,817	1,572,832	3,438,978	3,461,016	
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\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*

NEXT TWO D/S PMTS (3&9):	3,920,976
- AVAILABLE CASH:	0
- ALL TI FOR LAST FY:	742,000
- % SALES TAX LAST FY:	1,409,450
- PROP. A REV. DUE 7/1:	0
- RES.FUND INC. THIS FY:	334,092
+ BOND ADMIN. EXPENSES:	15,000
= MANDATED SPECIAL TAX:	1,450,434
TAX LEVY ON TENANTS:	1,365,000
TAX LEVY ON DEVELOPER:	85,434

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

959,487	-----BEGINNING CASH BALANCE-----	3,438,978
	LESS NEXT D/S PMT.	2,662,988
959,487	-----CASH AVAIL. TO REPAY DEVLN LOAN-----	798,028
	LESS BEGINNING	
4,013,442	-----DEVLN. LOAN BAL. (P&I)-----	3,348,402
	ENDING CASH BALANCE (LESS	
6,149	-----DEVLN. LOAN REPTM.)-----	2,662,988
42,717	=====DEVLN. LOAN/TAX LEVY==	42,717

DEVLP. LOAN PRINC. BAL.:	3,883,976	3,883,976	3,053,955	3,053,955	3,053,955	3,096,672	3,096,672	3,096,672	3,096,672	3,139,389	3,139,389	2,550,374	
ACCRUED INTEREST BAL.:	32,366	64,733	97,099	0	25,450	50,899	76,705	102,510	128,316	154,122	181,568	0	
TOTAL DEVLN. LOAN BAL.:	3,916,342	3,948,709	3,981,075	3,053,955	3,079,405	3,147,571	3,173,377	3,199,182	3,224,988	3,293,511	3,320,956	2,550,374	

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MONTHLY CASH FLOWS  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY11/12

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,662,988	2,665,053	3,485,557	1,011,951	6,485	809,951	815,142	1,957,366	2,773,334	1,754,258	1,765,499	3,717,238	
REVENUES													
SALES TAX INCREMENT	0	803,425	0	0	803,425	0	0	803,425	0	0	803,425	0	3,213,700
PROPERTY TAX INCREMENT	0	0	0	0	0	0	295,500	0	0	0	295,500	0	591,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	91,000	0	0	0	91,000	0	182,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	750,500	0	0	0	750,500	0	1,501,000
DEVELOPER ADVANCE	0	0	0	0	0	0	0	0	0	0	0	0	0
REINV. INTEREST INCOME	17,065	17,079	22,337	6,485	42	5,190	5,224	12,543	17,772	11,242	11,314	23,821	150,114
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	17,065	820,504	189,383	6,485	803,467	5,190	1,142,224	815,968	184,818	11,242	1,951,739	23,821	5,971,906
OPERATING EXPENDITURES													
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,662,988	0	0	0	0	0	1,203,895	0	0	0	3,866,883
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	2,665,053	3,485,557	1,011,951	1,018,436	809,951	815,142	1,957,366	2,773,334	1,754,258	1,765,499	3,717,238	3,741,060	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	3,977,790												
- AVAILABLE CASH:	0												
- ALL TI FOR LAST FY:	756,000												
- & SALES TAX LAST FY:	1,505,700												
- PROP. A REV. DUE 7/1:	0												
- RES.FUND INC. THIS FY:	334,092												
+ BOND ADMIN. EXPENSES:	15,000												
= MANDATED SPECIAL TAX:	1,396,998												
TAX LEVY ON TENANTS:	1,501,000												
TAX LEVY ON DEVELOPER:	0												
DEVL. LOAN PRINC. BAL.:	2,550,374	2,550,374	2,550,374	1,623,435	1,623,435	1,623,435	1,623,435	1,623,435	1,623,435	1,623,435	1,623,435	1,623,435	765,852
ACCRUED INTEREST BAL.:	21,253	42,506	63,759	0	13,529	27,057	40,586	54,114	67,643	81,172	95,377	0	0
TOTAL DEVL. LOAN BAL.:	2,571,627	2,592,880	2,614,133	1,623,435	1,636,964	1,650,492	1,664,021	1,677,549	1,691,078	1,704,607	1,718,812	1,718,812	765,852

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

1,011,951	-----	BEGINNING CASH BALANCE	-----	3,717,238
		LESS NEXT D/S PMT.	-----	2,773,895
1,011,951	-----	CASH AVAIL. TO REPAY DEVL. LOAN	-----	967,165
		LESS BEGINNING		
2,635,386	-----	DEVL. LOAN BAL. (P&I)	-----	1,733,017
		ENDING CASH BALANCE (LESS		
6,485	-----	DEVL. LOAN REPMT.)	-----	2,773,895
		0	-----	0
		DEVL. LOAN/TAX LEVY	-----	0

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY12/13

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	2,773,895	2,776,671	3,651,090	1,067,638	283,099	1,141,539	1,148,854	2,300,216	3,171,582	2,215,502	2,229,700	4,244,614	
REVENUES													
SALES TAX INCREMENT	0	856,625	0	0	856,625	0	0	856,625	0	0	856,625	0	3,426,500
PROPERTY TAX INCREMENT	0	0	0	0	0	0	301,000	0	0	0	301,000	0	602,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	92,500	0	0	0	92,500	0	185,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	750,500	0	0	0	750,500	0	1,501,000
DEVELOPER ADVANCE	17,776	17,794	23,397	6,842	1,814	7,315	7,362	14,741	20,325	14,198	14,289	27,201	173,053
REINV. INTEREST INCOME	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
RESERVE FUND EARNINGS	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	17,776	874,419	190,443	6,842	858,439	7,315	1,151,362	871,366	187,371	14,198	2,014,914	27,201	6,221,645
OPERATING EXPENDITURES													
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	2,773,895	0	0	0	0	0	0	1,143,450	0	0	0	3,917,345
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	2,776,671	3,651,090	1,067,638	1,074,480	1,141,539	1,148,854	2,300,216	3,171,582	2,215,502	2,229,700	4,244,614	4,271,815	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	4,011,900												
- AVAILABLE CASH:	0			1,067,638									4,244,614
- ALL TI FOR LAST FY:	773,000			1,067,638									2,868,450
- & SALES TAX LAST FY:	1,606,850												1,403,365
- PROP. A REV. DUE 7/1:	0			791,381									0
- RES.FUND INC. THIS FY:	334,092												0
+ BOND ADMIN. EXPENSES:	15,000												0
= MANDATED SPECIAL TAX:	1,312,958			283,099									4,271,815
TAX LEVY ON TENANTS:	1,501,000												0
TAX LEVY ON DEVELOPER:	0												0
DEVL.P. LOAN PRINC. BAL.:	765,852	765,852	765,852	0	0	0	0	0	0	0	0	0	0
ACCRUED INTEREST BAL.:	6,382	12,764	19,146	0	0	0	0	0	0	0	0	0	0
TOTAL DEVL.P. LOAN BAL.:	772,234	778,616	784,999	0	0	0	0	0	0	0	0	0	0

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

-----BEGINNING CASH BALANCE----- 4,244,614  
 LESS NEXT D/S PMT.----- 2,868,450  
 -----CASH AVAIL. TO REPAY DEVL.P. LOAN----- 1,403,365  
 LESS BEGINNING  
 DEVL.P. LOAN BAL. (P&I)----- 0  
 ENDING CASH BALANCE (LESS  
 DEVL.P. LOAN REPMT.)----- 4,271,815

0 -----DEVL.P. LOAN/TAX LEVY----- 0

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.7% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOWZA

MONTHLY CASH FLOWS  
 FY13/14

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	4,271,815	4,284,190	5,223,919	2,555,992	2,572,372	3,501,131	3,523,568	4,698,148	5,640,530	4,766,685	4,797,232	6,892,249	

REVENUES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
SALES TAX INCREMENT	0	912,275	0	0	912,275	0	0	912,275	0	0	912,275	0	3,649,100
PROPERTY TAX INCREMENT	0	0	0	0	0	0	307,000	0	0	0	307,000	0	614,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	94,500	0	0	0	94,500	0	189,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	750,500	0	0	0	750,500	0	1,501,000
DEVELOPER ADVANCE	0	0	0	0	0	0	0	0	0	0	0	0	0
REINV. INTEREST INCOME	27,375	27,455	33,477	16,380	16,485	22,436	22,580	30,107	36,146	30,547	30,742	44,168	337,898
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
<b>TOTAL</b>	<b>27,375</b>	<b>939,730</b>	<b>200,523</b>	<b>16,380</b>	<b>928,760</b>	<b>22,436</b>	<b>1,174,580</b>	<b>942,382</b>	<b>203,192</b>	<b>30,547</b>	<b>2,095,017</b>	<b>44,168</b>	<b>6,625,090</b>

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	2,868,450	0	0	0	0	0	1,077,037	0	0	0	3,945,487
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0

ENDING BALANCE	4,284,190	5,223,919	2,555,992	2,572,372	3,501,131	3,523,568	4,698,148	5,640,530	4,766,685	4,797,232	6,892,249	6,936,417	
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\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*

NEXT TWO D/S PMTS (3&9):	4,119,075
- AVAILABLE CASH:	1,403,365
- ALL TI FOR LAST FY:	787,000
- % SALES TAX LAST FY:	1,713,250
- PROP. A REV. DUE 7/1:	0
- RES.FUND INC. THIS FY:	334,092
+ BOND ADMIN. EXPENSES:	15,000
= MANDATED SPECIAL TAX:	(103,632)
TAX LEVY ON TENANTS:	1,501,000
TAX LEVY ON DEVELOPER:	0
DEVL.P. LOAN PRINC. BAL.:	0
ACCRUED INTEREST BAL.:	0
TOTAL DEVL.P. LOAN BAL.:	0

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

2,555,992	-----BEGINNING CASH BALANCE-----	6,892,249
	LESS NEXT D/S PMT.	3,042,038
2,555,992	-----CASH AVAIL. TO REPAY DEVL.P. LOAN-----	3,894,379
	LESS BEGINNING	
0	-----DEVL.P. LOAN BAL. (P&I)-----	0
	ENDING CASH BALANCE (LESS	
2,572,372	-----DEVL.P. LOAN REPMT.)-----	6,936,417
0	-----DEVL.P. LOAN/TAX LEVY-----	0

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRE  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY14/15

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	6,936,417	6,965,868	7,981,408	5,157,563	5,190,614	6,194,778	6,234,476	7,434,928	8,453,474	7,673,308	7,722,481	9,903,369	

REVENUES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
SALES TAX INCREMENT	0	970,900	0	0	970,900	0	0	970,900	0	0	970,900	0	3,883,600
PROPERTY TAX INCREMENT	0	0	0	0	0	0	313,500	0	0	0	313,500	0	627,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	96,500	0	0	0	96,500	0	193,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	750,500	0	0	0	750,500	0	1,501,000
DEVELOPER ADVANCE	0	0	0	0	0	0	0	0	0	0	0	0	0
REINV. INTEREST INCOME	44,451	44,640	51,148	33,051	33,263	39,698	39,953	47,645	54,173	49,173	49,488	63,464	550,147
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
<b>TOTAL</b>	<b>44,451</b>	<b>1,015,540</b>	<b>218,194</b>	<b>33,051</b>	<b>1,004,163</b>	<b>39,698</b>	<b>1,200,453</b>	<b>1,018,545</b>	<b>221,219</b>	<b>49,173</b>	<b>2,180,888</b>	<b>63,464</b>	<b>7,088,839</b>

OPERATING EXPENDITURES	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	3,042,038	0	0	0	0	0	1,001,385	0	0	0	4,043,423
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ENDING BALANCE</b>	<b>6,965,868</b>	<b>7,981,408</b>	<b>5,157,563</b>	<b>5,190,614</b>	<b>6,194,778</b>	<b>6,234,476</b>	<b>7,434,928</b>	<b>8,453,474</b>	<b>7,673,308</b>	<b>7,722,481</b>	<b>9,903,369</b>	<b>9,966,833</b>	

\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*

NEXT TWO D/S PMTS (3&9):	4,162,770
- AVAILABLE CASH:	3,894,379
- ALL TI FOR LAST FY:	803,000
- % SALES TAX LAST FY:	1,824,550
- PROP. A REV. DUE 7/1:	0
- RES. FUND INC. THIS FY:	334,092
+ BOND ADMIN. EXPENSES:	15,000
= MANDATED SPECIAL TAX: (2,678,251)	
TAX LEVY ON TENANTS:	1,501,000
TAX LEVY ON DEVELOPER:	0

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

NEXT TWO D/S PMTS (3&9):	4,162,770
- AVAILABLE CASH:	3,894,379
- ALL TI FOR LAST FY:	803,000
- % SALES TAX LAST FY:	1,824,550
- PROP. A REV. DUE 7/1:	0
- RES. FUND INC. THIS FY:	334,092
+ BOND ADMIN. EXPENSES:	15,000
= MANDATED SPECIAL TAX: (2,678,251)	
TAX LEVY ON TENANTS:	1,501,000
TAX LEVY ON DEVELOPER:	0

DEVL. LOAN PRINC. BAL.:	0
ACCRUED INTEREST BAL.:	0
TOTAL DEVL. LOAN BAL.:	0





SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

FY16/17

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual
BEGINNING BALANCE	13,467,894	13,539,201	14,721,640	11,714,802	11,789,874	12,961,103	13,044,162	14,378,753	15,566,572	15,005,624	15,101,785	17,545,237	
REVENUES													
SALES TAX INCREMENT	0	1,095,675	0	0	1,095,675	0	0	1,095,675	0	0	1,095,675	0	4,382,700
PROPERTY TAX INCREMENT	0	0	0	0	0	0	326,000	0	0	0	326,000	0	652,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	100,000	0	0	0	100,000	0	200,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	825,000	0	0	0	825,000	0	1,650,000
DEVELOPER ADVANCE	0	0	0	0	0	0	0	0	0	0	0	0	0
REINV. INTEREST INCOME	86,307	86,764	94,341	75,072	75,553	83,059	83,591	92,144	99,756	96,161	96,777	112,436	1,081,962
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	86,307	1,182,439	261,387	75,072	1,171,228	83,059	1,334,591	1,187,819	266,802	96,161	2,443,452	112,436	8,300,754
OPERATING EXPENDITURES													
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	3,268,225	0	0	0	0	0	827,750	0	0	0	4,095,975
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	13,539,201	14,721,640	11,714,802	11,789,874	12,961,103	13,044,162	14,378,753	15,566,572	15,005,624	15,101,785	17,545,237	17,657,673	
***SPECIAL TAX LEVY CALCULATION***													
NEXT TWO D/S PMTS (3&9):	4,230,500												17,545,237
- AVAILABLE CASH:	10,199,669												3,402,750
- ALL TI FOR LAST FY:	836,000												
- % SALES TAX LAST FY:	2,064,650												14,254,923
- PROP. A REV. DUE 7/1:	0												0
+ BOND ADMIN. EXPENSES:	15,000												
- MANDATED SPECIAL TAX: (9,188,911)													17,657,673
TAX LEVY ON TENANTS:	1,650,000												0
TAX LEVY ON DEVELOPER:	0												0
DEVL. LOAN PRINC. BAL.:	0												0
ACCRUED INTEREST BAL.:	0												0
TOTAL DEVL. LOAN BAL.:	0												0

\*\*\*DEVELOPER LOAN REPAYMENT CALCULATION\*\*\*

11,714,802	BEGINNING CASH BALANCE	17,545,237
	LESS NEXT D/S PMT.	3,402,750
11,714,802	CASH AVAIL. TO REPAY DEVL. LOAN	14,254,923
	LESS BEGINNING	
0	DEVL. LOAN BAL. (P&I)	0
	ENDING CASH BALANCE (LESS	
11,789,874	DEVL. LOAN REPMT.)	17,657,673

0 - - - - - = DEVL. LOAN/TAX LEVY = 0

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRF  
 FASHION PLAZA PROJECT  
 MONTHLY CASH FLOWS  
 MELIO-ROOS BONDS

23-Jun-89  
 DATE:  
 MESNOW2A  
 FILE:

FY17/18

MONTH BEGIN. 1ST DAY OF:	July	August	September	October	November	December	January	February	March	April	May	June	Annual Totals
BEGINNING BALANCE	17,657,673	17,755,829	19,031,089	15,917,343	16,019,347	17,283,479	17,394,237	18,765,705	20,047,437	19,614,351	19,740,046	22,288,022	
REVENUES													
SALES TAX INCREMENT	0	1,161,475	0	0	1,161,475	0	0	1,161,475	0	0	1,161,475	0	4,645,900
PROPERTY TAX INCREMENT	0	0	0	0	0	0	332,500	0	0	0	332,500	0	665,000
PROP. TAX INCR. (OTHER)	0	0	0	0	0	0	102,500	0	0	0	102,500	0	205,000
PARK & RIDE (PROP. A)	0	0	0	0	0	0	0	0	0	0	0	0	0
MINIMUM SPECIAL TAX	0	0	0	0	0	0	825,000	0	0	0	825,000	0	1,650,000
DEVELOPER ADVANCE	0	0	0	0	0	0	0	0	0	0	0	0	0
REINV. INTEREST INCOME	113,156	113,785	121,958	102,004	102,657	110,758	111,468	120,257	128,471	125,695	126,501	142,829	1,419,539
RESERVE FUND EARNINGS	0	0	167,046	0	0	0	0	0	167,046	0	0	0	334,092
TOTAL	113,156	1,275,260	289,004	102,004	1,264,132	110,758	1,371,468	1,281,732	295,517	125,695	2,547,976	142,829	8,919,531
OPERATING EXPENDITURES													
CASH CONT. TO CITY	0	0	0	0	0	0	0	0	0	0	0	0	0
BOND ADMIN. EXPENSES	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
GROSS DEBT SERVICE	0	0	3,402,750	0	0	0	0	0	728,603	0	0	0	4,131,353
A.7 D/S ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	17,755,829	19,031,089	15,917,343	16,019,347	17,283,479	17,394,237	18,765,705	20,047,437	19,614,351	19,740,046	22,288,022	22,430,851	

***SPECIAL TAX LEVY CALCULATION***	
NEXT TWO D/S PMTS (3&9):	4,432,216
- AVAILABLE CASH:	14,254,923
- ALL TI FOR LAST FY:	852,000
- \$ SALES TAX LAST FY:	2,191,350
- PROP. A REV. DUE 7/1:	0
- RES.FUND INC. THIS FY:	334,092
+ BOND ADMIN. EXPENSES:	15,000
= MANDATED SPECIAL TAX:	*****
TAX LEVY ON TENANTS:	1,650,000
TAX LEVY ON DEVELOPER:	0
DEVL. LOAN PRINC. BAL.:	0
ACCRUED INTEREST BAL.:	0
TOTAL DEVL. LOAN BAL.:	0

***DEVELOPER LOAN REPAYMENT CALCULATION***	
BEGINNING CASH BALANCE	22,288,022
LESS NEXT D/S PMT.	3,703,613
CASH AVAIL. TO REPAY DEVL. LOAN	18,727,238
LESS BEGINNING	
DEVL. LOAN BAL. (P&I)	0
ENDING CASH BALANCE (LESS	
DEVL. LOAN REPMT.)	22,430,851
DEVL. LOAN/TAX LEVY	0

SCENARIO 2: MALL EXPANSION OPENS 5/1/91, CURRENT MARKET BOND NIC OF 7.77% (MARKET RATES AS OF 5/4/89), 10% DSRE  
 FASHION PLAZA PROJECT  
 MELLO-ROOS BONDS

DATE: 23-Jun-89  
 FILE: WESNOW2A

MONTHLY CASH FLOWS  
 FY18/19

MONTH BEGIN. 1ST DAY OF: July August September October November December January February March April May June Annual  
 Totals

REVENUES  
 SALES TAX INCREMENT 0 1,231,125 0 0 1,231,125 0 0 1,231,125 0 0 1,231,125 0 0 1,231,125 0 4,924,500  
 PROPERTY TAX INCREMENT 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 678,000  
 PROP. TAX INCR. (OTHER) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 209,000  
 PARK & RIDE (PROP. A) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0  
 MINIMUM SPECIAL TAX 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 1,650,000  
 DEVELOPER ADVANCE 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0  
 REINV. INTEREST INCOME 143,744 144,569 153,385 131,705 132,549 141,288 142,193 151,233 160,092 158,253 159,267 176,306 1,794,585  
 RESERVE FUND EARNINGS 0 0 167,046 0 0 0 0 0 0 0 0 0 0 0 0 334,092

TOTAL 143,744 1,375,694 320,431 131,705 1,363,674 141,288 1,410,693 1,382,358 327,138 158,253 2,658,892 176,306 9,590,177

OPERATING EXPENDITURES  
 CASH CONT. TO CITY 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0  
 BOND ADMIN. EXPENSES 15,000 0 0 0 0 0 0 0 0 0 0 0 0 0 0 15,000  
 GROSS DEBT SERVICE 0 0 3,703,613 0 0 0 0 0 0 0 0 0 0 0 0 4,317,688  
 A.7 D/S ADJUSTMENT 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0

ENDING BALANCE 22,559,595 23,935,290 20,552,108 20,683,813 22,047,487 22,188,774 23,599,467 24,981,826 24,694,888 24,853,141 27,512,034 27,688,340

\*\*\*SPECIAL TAX LEVY CALCULATION\*\*\*  
 NEXT TWO D/S PMTS (3&9): 4,628,150  
 - AVAILABLE CASH: 18,727,238  
 - ALL TT FOR LAST FY: 870,000  
 - % SALES TAX LAST FY: 2,322,950  
 - PROP. A REV. DUE 7/1: 0  
 - RES.FUND INC. THIS FY: 334,092  
 + BOND ADMIN. EXPENSES: 15,000  
 = MANDATED SPECIAL TAX: \*\*\*\*\*  
 TAX LEVY ON TENANTS: 1,650,000  
 TAX LEVY ON DEVELOPER: 0

DEVLP. LOAN PRINC. BAL.: 0 0 0 0 0 0 0 0 0 0 0 0 0  
 ACCRUED INTEREST BAL.: 0 0 0 0 0 0 0 0 0 0 0 0 0  
 TOTAL DEVLP. LOAN BAL.: 0 0 0 0 0 0 0 0 0 0 0 0 0











**OPERATING AGREEMENT  
FOR PARKING FACILITIES  
(FASHION PLAZA)**

THIS OPERATING AGREEMENT FOR PARKING FACILITIES (FASHION PLAZA) (the "Agreement"), is made as of \_\_\_\_\_, 1989, by and between the REDEVELOPMENT AGENCY OF THE CITY OF WEST COVINA (the "Agency"), a public body, corporate and politic duly organized and existing under the Community Redevelopment Law of the State of California, and SYLVAN S. SHULMAN CO./WEST COVINA ASSOCIATES, a Delaware limited partnership duly organized and existing under the laws of the State of Delaware ("Operator").

*WITNESSETH:*

*WHEREAS*, pursuant to the provisions of the Community Redevelopment Law of the State of California (the "Law") the Agency has entered into an Owner Participation Agreement dated as of May 15, 1989, (the "OPA"), with the Operator whereby the Agency has agreed (a) to acquire certain land (the "Site") which is more particularly described and set forth on Exhibit "A" attached hereto and made a part hereof, and which is situated in the Central Business District Redevelopment Project Area of the Agency (the "Project Area"), and (b) to pay the costs of constructing thereon certain public parking facilities (the "Parking Facilities") more particularly described and set forth on Exhibit "B" attached hereto and made a part hereof; and

*WHEREAS*, the Agency desires to enter into this Agreement with Operator for management of the Parking Facilities in order to implement the redevelopment plan for the Project Area, and the OPA, and in order to provide for the operation and maintenance of the Parking Facilities; and

*WHEREAS*, the Agency is the owner of, and the Operator manages, certain parking facilities adjacent to, the Parking Facilities, and each party to this Agreement and the general public will benefit from a common plan of operation and maintenance of such facilities and the Parking Facilities.

*NOW, THEREFORE*, in consideration of the mutual promises and agreements herein contained, the parties hereto agree as follows:

**SECTION 1. Definitions.** Unless the context clearly requires otherwise or unless otherwise defined herein, the capitalized terms in this Agreement shall have the respective meanings given such terms in the OPA.

**SECTION 2. Property Management.**

A. Agreement To Manage. Operator shall act as the Agency's exclusive agent to manage, operate, maintain and offer to members of the general public the Parking Facilities, upon the terms and conditions hereinafter set forth.

B. Professional Management Standards. Operator will use its best efforts and will exercise professional competence in operating the Parking Facilities, and shall maintain businesslike relations with parking space tenants.

C. Employees. Operator shall hire, discharge and supervise all labor and employees necessary to maintain and operate the Parking Facilities properly.

D. Operation, Maintenance And Repairs. Operator shall cause the Parking Facilities to be maintained, repaired and operated according to the general policies, rules and regulations for the repair, maintenance and operation of the Parking Facilities described in the Construction, Operation and Reciprocal Easement Agreement entered into as of November 5, 1973, and recorded in the Official Records of Los Angeles County on December 24, 1973, as Instrument No. 1676, in Book No. 4551, Pages 268-322, as amended by an instrument dated November 24, 1976, recorded in said Official Records on December 16, 1976, as Instrument No. 5514, and as the same may be amended hereafter (collectively, the "REA"), which is by this reference made a part hereof, and shall pay for or otherwise arrange for the payment of the repair and replacement of the Parking Facilities resulting from wear and tear or want of ordinary care. In fulfillment of its duties under this paragraph, Operator shall purchase such supplies, equipment and services as are necessary for the operation and maintenance of the Parking Facilities.

In the event Operator fails to perform proper maintenance or repair of the Parking Facilities during the term of this Agreement, the Agency shall notify the Operator in writing of such failure to perform, specifying the respects in which it considers the Operator's performance to be unsatisfactory. Upon the failure of the Operator to improve or to commence and diligently proceed to improve such performance within thirty (30) days after such written notice, the Agency shall have the right to enter the Parking Facilities and undertake or cause to be undertaken such maintenance, repair and operational activities. Notwithstanding the foregoing, the Agency may immediately and without notice to the Operator undertake any required maintenance or repair of an emergency nature required to render the Parking Facilities safe or to prevent damage or injury to persons or property. In such event, the Operator shall promptly upon demand reimburse the Agency for all reasonable costs and expenses incurred by the Agency in connection with such maintenance, repair and operational services. The Agency agrees to keep the Parking Facilities free and clear of all liens and encumbrances, except for the REA and those consented to by the Agency and the Operator.

E. Services And Utilities. Operator shall contract on favorable terms, quality and service considered, in Operator's name, for all services and utilities necessary for the efficient operation and maintenance of the Parking Facilities, including but not limited to, sweeping and cleaning service, security, power, light, water and all other utility services. Operator shall procure, or cause to be procured without cost to the Agency, any and all necessary permits, licenses and other authorizations required for the lawful and proper installation and maintenance upon the Parking Facilities of wires, pipes, conduits, tubes and other equipment and appliances for use in supplying any such service to and/or upon the Parking Facilities.

F. Additional Duties. Operator shall take any other action not specifically prohibited or limited by this Agreement or by law, which may be required in the

judgment of the Operator in order to obtain the maximum benefits from the Parking Facilities.

G. Public Parking. Operator shall make the Parking Facilities available to members of the general public at all times, without preference or priority for any class of persons over any other class of persons. The Parking Facilities shall at all time be posted with signs acceptable to the Operator and the Agency designating the Parking Facilities as "public parking".

H. Independent Contractor. Nothing contained herein is intended or shall be construed to create the relationship of employer and employee. In the event any provision of this Agreement shall cause the Operator to be other than an "independent contractor" as defined in the Internal Revenue Code of 1986 as amended, or in the event that there is any change in the affairs of the Operator which would terminate its status as an "independent contractor" as so defined, then, in that event, this Agreement shall be deemed immediately amended to remove or modify the provision which gives rise to such disqualification.

### **SECTION 3. Term.**

A. Commencement Date. This Agreement shall commence on the earlier of the day which the Agency notifies the Operator that construction of the Parking Facilities has been completed, or the date of issuance of a certificate of occupancy for the Parking Facilities by the City of West Covina. Completion of less than all of the Parking Facilities shall commence the operation of this Agreement ratably as to the percent of the Parking Facilities which have been completed.

B. Initial Term. The initial term of this Agreement shall commence on at 12:01 a.m. on the date described in Section 3A (the "Commencement Date"), and shall end at 12:01 a.m. on that date which is exactly five (5) years after the Commencement Date, unless this Agreement is earlier terminated as herein provided. Upon the commencement of the initial term of this Agreement, the parties shall execute an appropriate document setting forth the Commencement Date.

C. Agency's Right To Cancel. At any time after the passage of three (3) years from the Commencement Date, the Agency shall have the option to cancel this Agreement, with or without cause, upon first giving ninety (90) days' notice in writing to Operator.

D. Subsequent Agreements. The Operator shall be deemed to have made a continuing offer to the Agency to enter into a new agreement at the expiration of the term of this Agreement on the same terms and under the same provisions as this Agreement, at the sole election of the Agency. The Agency acknowledges herein that the Operator has contributed significantly to the development and operation of the Parking Facilities and shall take that into consideration at such time as the renewal of this Agreement is considered. The Agency acknowledges that the Parking Facilities are subject to the REA, and the operation thereof must comply with the standards set forth in the REA.

**SECTION 4. Use.** The Parking Facilities shall be used, managed and operated by the Operator hereunder to provide parking for members of the general public, and for such other purposes as are compatible therewith.

In the use of the Parking Facilities, Operator shall not commit or permit any waste or deterioration of the Parking Facilities, or permit the removal or demolition of the Parking Facilities except as may be required by any law, ordinance, rule, regulation or order of any governmental jurisdiction over the Parking Facilities or except with the prior written consent of the Agency.

**SECTION 5. No Fees.** None of Operator, the Agency or anyone acting for or on behalf of the Agency shall charge members of the general public for use by them of the Parking Facilities.

**SECTION 6. Records.** Operator agrees to keep records in connection with the operation of the Parking Facilities. The Agency shall have the right at any reasonable time, through its representatives or in person, to inspect any record of Operator relating to the operation of the Parking Facilities.

**SECTION 7. No Compensation To Operator.** Operator shall receive no compensation from the Agency for its services hereunder.

**SECTION 8. Insurance.**

A. Obligations Of Operator. It shall be the duty of Operator for the Parking Facilities to maintain or cause to be maintained, pursuant to and during the respective term of this Agreement, a standard comprehensive general liability insurance policy or policies for protection of the City, the Agency, and their respective members, officers, officials, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation, use, work or activities at the Parking Facilities. Said policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$1,000,000 (subject to a deductible clause of not to exceed \$250,000) for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. The proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the proceeds of such insurance shall have been paid.

The Operator shall also maintain or cause to be maintained worker's compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the Worker's Compensation Insurance and Safety Act now in force in California, or any act hereafter enacted as an amendment or supplement thereto or in lieu thereof, such worker's compensation insurance to cover all persons employed by Operator in connection with Parking Facilities and to cover full liability for compensation under any such act aforesaid, based upon death or bodily injury claims made by, for or on behalf of any

person incurring or suffering injury or death during or in connection with the Parking Facilities or the operation thereof by the Operator.

**B. General Provisions.** All insurance provided under subsection A of this Section 8 shall be for the benefit of the Operator, the Agency, and the City, as named insureds, and shall be effected under policies issued by insurers of recognized responsibility, licensed or permitted to do business in the State of California. All policies issued by the respective insurers for such insurance shall provide that such policies shall not be cancelled or materially changed without at least thirty (30) days prior written notice to the Operator, the City and the Agency. Copies of such policies shall be deposited by the Operator with the City and the Agency, together with appropriate evidence of payment of the premiums therefor; and, at least thirty (30) days prior to expiration dates of expiring policies or contracts, copies of renewal or new policies or contracts or certificates shall be deposited by the Operator with the Agency.

**SECTION 9. Access to the Parking Facilities.** The Operator agrees that any authorized representative of the Agency or the City shall have the right at all reasonable times to enter upon and to examine and inspect the Parking Facilities. The Operator further agrees that any such authorized representative shall have such rights of access to the Parking Facilities as may be reasonably necessary to cause the proper maintenance of the Parking Facilities in the event of a failure by the Operator to perform its obligations hereunder.

**SECTION 10. Assignment.** Neither this Agreement nor any interest of the Operator herein or in the Parking Facilities shall, at any time after the date hereof, without the prior written consent of the Agency, be mortgaged, pledged, assigned or transferred by the Operator by voluntary act or by operation of law, or otherwise, except as provided in Section 11 hereof. The Operator shall at all times remain liable for the performance of the covenants and conditions on its part to be performed hereunder, notwithstanding any assigning, transferring or subletting which may be made.

**SECTION 11. Assignment To Related Party.** The Operator may sell, convey, transfer or assign its rights, interest and obligations hereunder to an affiliate of the Operator or as provided in the REA. As used in this section, (1) "affiliate" means any person or entity which directly or indirectly controls, is controlled by, or is under common control with, the Operator, and (2) "control" (including with correlative meanings, "controlled by" and "under common control with") means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of voting securities, by contract or otherwise), provided that, in any event, a person or entity which owns directly or indirectly five percent (5%) or more of the securities having ordinary voting power for the election of directors of a corporation shall be conclusively presumed to control such corporation.

**SECTION 12. Surrender Upon Termination.** Upon the termination of this Agreement, the Operator agrees that it shall surrender to the Agency the Parking Facilities in good order and condition and in a state of repair that is consistent with prudent use and conscientious maintenance except for reasonable wear and tear.

**SECTION 13. Liens.** The Operator agrees to pay, when due, all sums of money that may become due for, or purporting to be due for, any labor, services, materials,

supplies or equipment alleged to have been furnished or to be furnished to or for the Operator in, upon or about the Parking Facilities and which may be secured by mechanics', materialmen's or other liens against the Parking Facilities, and/or the interests of the Agency therein, and will cause each such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures and/or becomes due; provided, however, that if Operator desires to contest any such lien, it may do so upon providing Agency with a bond or other lawful security such as a guarantee, in form and amount satisfactory to Agency, to guarantee payment of such lien; and, provided further, that notwithstanding any such contest, if any such lien shall be reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and said stay thereafter expires, then and in such event the Operator shall forthwith pay and discharge said judgment.

**SECTION 14. Law Governing.** This Agreement shall be governed by the laws of the State of California applicable to contracts made and performed in such State.

**SECTION 15. Further Assurances.** The Operator agrees that it will execute and deliver any and all such further agreements, instruments or other assurances as may be reasonably necessary or requested by the Agency to carry out the intention or to facilitate the performance of this Agreement.

**SECTION 16. Notices.** All notices or communications herein required or permitted to be given shall be in writing and shall be deemed to have been sufficiently given or served for all purposes by being deposited, postage prepaid, in a post office letter box, addressed as follows:

If to the Operator:                      Sylvan S. Shuman Co./West  
Covina Associates, L.P.  
c/o May Centers, Inc.  
611 Olive Street  
St. Louis, Missouri 63101  
Attention: William E. Grafstrom, Chairman

With a copy to:                              Sylvan S. Shulman  
201 Ocean Avenue, Suite 1809-B  
Santa Monica, California 90402

If to the Agency:                            Redevelopment Agency of the City of West Covina  
Post Office Box 1440  
West Covina, California 91793  
Attention: Assistant Executive Director

**SECTION 17. Waiver.** The waiver by the Agency of any breach by the Operator of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof. No waiver shall be effective unless contained in a writing signed by the party to be charged.

**SECTION 18. Remedies Of Agency If Default By Operator.** In the event that:

A. The Operator shall fail to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the Operator by the Agency; provided, however, if the failure stated in the notice can be corrected, but not within the applicable period, the Agency shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Operator within the applicable period and diligently pursued until the default is corrected; or

B. The Operator shall abandon or vacate the Parking Facilities; or

C. The Operator's interest in this Agreement or any part hereof shall be assigned or transferred without the written consent of the Agency, either voluntarily or by operation of law, except as permitted hereunder; or

D. The Operator shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Operator seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property (and, in the case of an involuntary proceedings, such proceeding shall remain undismissed or unstayed for a period of sixty (60) days);

then and in any of such events, the Operator shall be deemed to be in default hereunder, and the Agency shall have the right, at its option, without any further demand or notice and without prejudice to any other rights or remedies it may then have, to terminate this Agreement and re-enter the Parking Facilities and eject all parties in possession therefrom, in which case this Agreement shall terminate, and the Operator shall have no further rights or obligations hereunder, except as provided below.

In the event the Agency terminates this Agreement as herein provided, the Agency shall be entitled to recover as damages the amount necessary to compensate the Agency for the detriment proximately caused by the Operator's failure to perform its obligations under this Agreement or which in the ordinary course of things would be likely to result therefrom.

The foregoing remedies of the Agency are in addition to and not exclusive of any other remedy of the Agency. Any re-entry shall be allowed by the Operator without hindrance, and the Agency shall not be liable in damages for re-entry or be guilty of trespass.

**SECTION 19. Right Of Agency Or Operator To Cure Default.** Notwithstanding anything herein to the contrary, the Agency shall have the right to cure any default of the Operator under this Agreement and, in such event, the Agency at its option shall be recognized under this Agreement as the successor to the Operator and this Agreement shall remain in full force and effect and binding upon the Operator.

**SECTION 20. Nondiscrimination.** The Operator shall refrain from restricting the use of the Parking Facilities on the basis of race, color, creed, religion, sex, marital status, national origin or ancestry of any person. All contracts hereinafter executed by Operator with respect to the Parking Facilities shall contain and be subject to the following nondiscrimination and nonsegregation clauses:

A. In leases: "The lessee herein covenants by and for itself, its heirs executors, administrators and assigns, and all persons claiming under or through them and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessee, sublessees, subtenants or vendees in the premises herein leased."

B. In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed. These provisions shall be binding upon and shall obligate the parties hereto and any assignee or other transferee under this agreement."

**SECTION 21. Indemnification.** The Agency shall not be liable at any time for any loss, damage, or injury to the person or property of any person whomsoever at any time occasioned by or arising out of any act or omission of the Operator, or of anyone holding under the Operator or the occupancy or use of the Parking Facilities or any part thereof by or under the Operator, or directly or indirectly, from any state or condition of the Parking Facilities or any part thereof during the term of this Agreement, except for the intentional acts, omissions or negligence of the Agency.

Notwithstanding anything to the contrary under this Agreement, and without regard to any insurance carried by the Operator for the benefit of the City and the Agency, the Operator agrees to protect, defend, indemnify and hold the City, the Agency and the Parking Facilities harmless from any and all damages or liabilities of whatsoever nature arising from the performance or nonperformance by the Operator of its obligations under this Agreement or arising out of or in connection with the operation carried on by Operator on, or the use and occupancy of, the Parking Facilities.

**SECTION 22. Attorneys' Fees And Court Costs.** In the event that either the Agency or the Operator shall bring or commence an action to enforce the terms and conditions of this Agreement or to obtain damages against the other party arising from any default under or violation of this Agreement, then the prevailing party shall be entitled to and shall be paid reasonable attorneys' fees and court costs therefor.



**SECTION 23. Execution.** This Agreement may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement, and it is also understood and agreed that separate counterparts of this Agreement may be separately executed by the Agency and the Operator, all with the same full force and effect as though the same counterpart had been executed simultaneously by both the Agency and the Operator.

**SECTION 24. Validity.** If any one or more of the terms, provisions, promises, covenants, conditions or option provisions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reasons whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants, conditions, and option provisions of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

If for any reason this Agreement shall be held by a court of competent jurisdiction void, voidable, or unenforceable by the Agency or by the Operator, or if for any reason it is held by such court that the covenants and conditions of the Operator hereunder are unenforceable for the full term hereof, then and in such event for and in consideration of the right of the Operator to possess, occupy and use the Parking Facilities, which right in such event is hereby granted, this Agreement shall thereupon become, and shall be deemed to be, an Agreement from year-to-year.

**SECTION 25. Binding Effect.** This Agreement, and the terms, provisions, promises, covenants, conditions and option provisions hereof, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals by being hereto affixed, as of the day and year first above written.

REDEVELOPMENT AGENCY OF  
THE CITY OF WEST COVINA

By: \_\_\_\_\_  
Chairman

SYLVAN S. SHULMAN CO./  
WEST COVINA ASSOCIATES,  
a Delaware limited partnership

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

**DESCRIPTION OF THE SITE ON WHICH THE PARKING FACILITIES ARE  
LOCATED**

[to come]

**EXHIBIT B**

**DESCRIPTION OF THE PARKING FACILITIES**

[to come]



June 26, 1989

West Covina Redevelopment Agency Board  
West Covina City Hall  
Post Office Box 1440  
1444 West Garvey Avenue South  
West Covina, California 91793

RE: Eastland Center, West Covina

Gentlemen:

This letter is to set forth the undertaking to which May Centers, Inc. ("MCI") has agreed with regard to the Eastland Center ("Eastland"), located in the City of West Covina, California ("West Covina")"

1. In the event that West Covina issues the necessary approvals for the pending remodel and expansion of the West Covina Fashion Plaza, West Covina, California ("WCFP"), MCI shall proceed with the remodeling and redevelopment of Eastland. MCI shall expend not less than 3.5 million dollars, comprised of approximately 1.2 million dollars in connection with building renovation at Eastland and approximately 2.3 million dollars for site work including landscaping, irrigation, lighting, paving and re-stripping. Such funding will be provided by MCI without aid from West Covina and such remodeling will commence and shall be completed within no later than one year plus 105 days after the date of approval and execution by West Covina of the Owner Participation Agreement ("OPA") relative to the expansion of WCFP. MCI shall submit the remodeling plans to West Covina in the form of a precise plan as required by its municipal code for subsequent approval by its planning commission. Such application shall be submitted within forty- five (45) days after the execution of the OPA.
2. In addition, in the event the May Co. store located at Eastland is closed, relocated and reopened at WCFP, then: (i) MCI shall completely renovate and revitalize the interior of the basement floor and the first floor of the May Company building no later than two (2) years from the closure of May Co. store at Eastland; any extension of this time may be requested from the Agency Board subject to their sole approval or denial, such request shall be made by filing an application with the Agency Board and shall include a declaration from May Centers or their duly approved

successor stating applicant has achieved substantial progress in putting these improvements in place, yet due to some specifically enumerated reasons these improvements have not been completed within the required two (2) year period. The Agency Board would then use its discretion based on the circumstances to grant or deny the requested extension, (ii) MCI shall use its best efforts to renovate the interior and exterior of the Eastland May Co. store building, the 2nd and 3rd floors of the May Co. building, and the interior of the Eastland mall building prior to two (2) years after the closing of the May Co. store at Eastland, and (iii) for the period of five (5) years following the first anniversary of the reopening of the May Co. store at WCFP, MCI guarantees:

a) That for the first year of this guarantee West Covina will receive sales tax revenues from the businesses located in the Eastland mall building, the current Eastland May Co. store building and any additional future development at Eastland equal to those sales tax revenues received by West Covina from such businesses located in the Eastland mall building for the calendar year 1988 plus the greater of the amount so received from May Co. store at Eastland for (i) the calendar year preceding its move to WCFP or (ii) the calendar year 1988. This guarantee is exclusive of such revenues from the Mervyn's Department Store or from businesses located at Eastland outside of the main mall building.

(b) That for each of the four (4) subsequent years of this guarantee West Covina will receive sales tax revenues from such businesses as determined by the following formula:

$$(105\% \pm \text{ the } \% \text{ change in GNP for current year}) \times \text{ Previous year's sales tax guarantee} = \text{ Annual Amount Guaranteed}$$

In no event shall the application of this formula result in an annual guarantee amount of less than the original base dollar amount.

3. The provisions of paragraph 2 hereof are subject to the following conditions and limitations:

(a) If the first anniversary of the commencement of business of the May Co. store at WCFP does not occur on the first of the calendar year, then MCI's sales tax guarantee for the first year shall be for the twelve month period commencing on the first day of the calendar quarter following such anniversary date, and each successive year of this guarantee shall be for successive twelve month periods.

b) If an act of God should cause retail sales at Eastland to decline in any twelve month period by at least 50%, then MCI may petition the Agency Board for modifications of this sales tax guarantee. However, the decision as to whether to grant or deny the request is at the sole discretion of the Agency Board. Any decision made by the Agency Board will be without prejudice to the rights of the Agency Board to enforce their agreement. In any event, whatever decision is made by the Agency Board shall be fully binding on MCI.

(c) If there shall be any adjustment to the sales tax rates and/or the sales tax structure by legislative act or referendum relative to the Eastland property and/or the businesses located within the Eastland property, MCI may petition the Agency Board to request a proportionate modification to MCI's obligation based on MCI statement of facts. However, the decision as to whether to grant or deny the request is at the sole discretion of the Agency Board. Any decision made by the Agency Board will be without prejudice to the rights of the Agency Board to enforce their agreement. In any event, whatever decision is made by the Agency Board shall be fully binding on MCI and the base guarantee shall not be lower than the sales tax revenue received by West Covina from the businesses located in the Eastland mall building and the Eastland May Co. store in 1988.

4. MCI shall pay to West Covina annually any amounts due and owing under this guarantee within thirty (30) days of receipt of an independent audit by a certified public accountant employing generally accepted accounting principles of West Covina's annual sales tax revenue attributable to the properties at Eastland Center covered by the agreement.
5. This undertaking and agreement shall be binding on the successors and assigns of MCI. MCI agrees to notify the Agency in writing of the names and addresses of any successors and assigns of its obligations pursuant to this undertaking within ten (10) days of the effective date of any assignment or other conveyance and further agrees to notify said successors and assigns prior to the effective date of any assignment or other conveyance of its interest herein, of the terms of this undertaking and their obligations pursuant to it. MCI shall remain liable for its obligations pursuant to this undertaking and agreement unless and until its successors and assigns are lawfully bound to the obligations of this undertaking and agreement.

6. This agreement and undertaking shall be construed and shall be enforceable under California law. In the event litigation is initiated by either party to enforce the terms of this agreement and undertaking, the prevailing party in the litigation shall be entitled to reasonable and necessary attorney's fees and litigation costs.
  
7. Concurrently with the approval of this agreement and undertaking, the Agency approved and entered into an Owner Participation Agreement with Sylvan S. Shulman Co./West Covina Associates, a Delaware limited partnership, of which MCI is a partner, which provides for the expansion of the West Covina Fashion Plaza with assistance from the Agency. The parties hereto acknowledge and agree that the Agency Board of Directors would not have approved the said Owner Participation Agreement had it not entered into this agreement with MCI for the renovation of Eastland Center and the sales tax guarantee. Therefore, the conditions of this agreement with respect to Eastland are required for the Owner Participation Agreement with respect to the expansion of Fashion Plaza to be approved by the Agency Board.

MAY CENTERS, INC.

By Robert L. Ferguson  
Robert L. Ferguson  
President and Chief Executive Officer

READ, UNDERSTOOD AND ACCEPTED:

CITY OF WEST COVINA, CALIFORNIA

By \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_