

Attachment No. 1

AGREEMENT NO. 17-456 (AMENDMENT NO. 1)
APPROVED: AUGUST 15, 2017

AMENDED AND RESTATED EXCLUSIVE NEGOTIATING AGREEMENT

This Amended and Restated Exclusive Negotiating Agreement, dated as of August 15, 2017,¹ (the "Agreement"), is made by and among the City of Inglewood, a municipal corporation (the "City"), the City of Inglewood as Successor Agency to the Inglewood Redevelopment Agency, a public body, corporate and politic (the "Successor Agency"), the Inglewood Parking Authority, a public body, corporate and politic (the "Authority"), and Murphy's Bowl LLC, a Delaware limited liability company (the "Developer").

The City, Successor Agency and the Authority are sometimes collectively referred to herein as the "Public Entities"). The Public Entities and Developer are sometimes herein referred to as the "Parties").

For and in consideration of the mutual covenants and promises herein, the parties agree as follows:

RECITALS

This Agreement amends and restates in its entirety that certain Exclusive Negotiating Agreement previously entered into by the Parties and approved on June 15, 2017 (the "Prior ENA") with reference to the following facts:

A. The subject matter of this Agreement involves certain negotiation parameters established by the Parties with respect to a proposed development of an NBA professional basketball facility as more specifically described in Recital B and generally located on certain real property to be subsequently determined by the Parties within the following area of the City: Century Boulevard on the north, Prairie Avenue on the west along with two parcels located to the west of Prairie Avenue depicted as the approximately 2.03 acre parcel and the approximately 3.12 acre parcel as shown on Exhibit A, the Study Area Site Map, then midblock on West 102nd Street toward West 103rd Street on the south to Doty Avenue, and then West 102nd Street on the south to Yukon Avenue, and then Yukon Avenue on the east (the "Study Area Site"). The Study Area Site is generally depicted on the "Study Area Site Map" attached hereto, labeled Exhibit A, and incorporated herein by this reference. Once established by the Parties pursuant to negotiations established by this Agreement, the desired parcels of real properties within the Study Area Site will be specifically identified and consist of all or some of the following parcels (the "Potential Arena Site"): (1) those certain parcels of real property currently owned by the City referred to and identified as the "City Parcels" and designated as such on the Study Area Site Map, (2) those certain parcels of real property owned by the Successor Agency referred to and identified as the "Agency Parcels" and designated as such on the Study Area Site Map, and (3) those certain parcels of commercial non-residential real property currently owned by third parties referred to and identified as the "Potential Participating Parcels" and designated as such on the Study Area Site Map. Under no circumstances shall the Potential Arena Site include any parcel of real property

¹ The "Effective Date" of this Agreement, and the commencement of the Exclusive Negotiating Period, shall be the first calendar day of the month following the approval of this Agreement by the Public Entities.

on which a church or occupied residential use exists. Moreover, in no event shall the City or the Authority undertake any action to acquire any Potential Participating Parcel except in accordance with Section 2 and all applicable law. Neither the City nor the Authority shall be under any obligation pursuant to the terms of this Agreement to adopt a resolution of necessity authorizing the acquisition of any of the Potential Participating Parcels by eminent domain, and neither the City nor the Authority has committed to do so.

B. The Developer has proposed development of a premier and state of the art National Basketball Association ("NBA") professional basketball arena consisting of approximately 18,000 to 20,000 seats as well as related landscaping, parking and various other ancillary uses related to and compatible with the operation and promotion of a state-of-the-art NBA arena within the Study Area Site (the "Proposed Project").

C. It is anticipated by the Parties that, subject to the satisfaction of all the provisions of this Agreement, including without limitation the determination of the Potential Arena Site, the parcels of real property comprising the Potential Arena Site may be separately conveyed to the Developer by each of the City, Successor Agency and/or the Authority in accordance with their respective interests in the Potential Arena Site; provided however, and at the discretion of the Public Entities, the City Parcels, Agency Parcels and the Authority's interest, if any, may be singularly conveyed by the City or the Authority to the extent feasible and legally permissible. Moreover, it is contemplated by the Parties that conveyance of the City Parcels, Agency Parcels and the Authority's interest, if any, by the Public Entities will take place concurrently with back to back escrow closings to the extent a joint conveyance by the City or the Authority is not legally feasible and permissible.

D. In furtherance of the objectives of the California Redevelopment Dissolution Law, as amended ("AB 26"), if the Proposed Project is approved by the Public Entities, the Successor Agency shall convey its interests in the Agency Parcels within the Study Area Site (as defined in this Agreement) directly to the Developer under applicable provisions contained in AB 26. AB 26 has required the dissolution of the former Inglewood Redevelopment Agency (the "RDA"). The conveyance of the Agency Parcels within the Study Area Site shall be conveyed (if approved) consistent with the Successor Agency's approved Long Range Property Management Plan (the "LRPMP"), which has been approved by the Successor Agency, the Oversight Board to the Successor Agency, and the California Department of Finance (the "DOF"). The Developer acknowledges that the Public Entities have not approved the Proposed Project as of the Effective Date of this Agreement, notwithstanding the Agreement's contemplation of the process by which the approvals may be obtained and will not do so except as provided in this Agreement in the exercise of their respective absolute discretion.

E. Subject to the requirements of AB 26, the Successor Agency, along with the City and the Authority, has selected and agreed to negotiate with the Developer for the potential conveyance and development of the Agency Parcels (along with the balance of the Study Area Site, or applicable portion thereof subsequently determined) as a result of the Developer's affiliation with an NBA franchise that can be moved to the City (subject to NBA approval), and the Developer's experience and expressed commitment to expeditiously develop the Proposed Project on the Study Area Site so as to bolster the economic revitalization of Inglewood and a unique opportunity not otherwise available to provide an NBA franchise within the City of

Inglewood. The Public Entities have also agreed to negotiate with the Developer for the Proposed Project because of: (a) the unique economic development and employment opportunities the Proposed Project would provide to the financial base and overall fiscal stability of the City that might otherwise not be available; and (b) the anticipated expansion of the City's presence as a major sports and entertainment center.

F. No entitlements required or requested by the Developer for the development of the Proposed Project will be considered for approval or approved by the Public Entities until the requirements of this Agreement have been satisfied, including without limitation, the approval of a Disposition and Development Agreement ("DDA") by the Public Entities as described in Section 6, compliance with CEQA as provided in Section 7, and all applicable City land use and Municipal Code requirements have been satisfied.

G. It is being proposed by the Developer that the Proposed Project be developed in multiple phases and that it be developed in a manner consistent with the descriptions, undertakings, procedures and other provisions set forth in this Agreement and as specifically set forth in a proposed DDA subject to changes or revisions if and as agreed to by the Public Entities and Developer (subject to the provisions of Section 25 below), or as may arise from the City's independent regulatory review of the Proposed Project.

H. As a result of the qualifications, experience and identity of Developer, which are of particular concern to the Public Entities, both individually and collectively, the Public Entities desire to enter into this Agreement with the Developer with the objective of negotiating a proposed mutually acceptable DDA for consideration by the Public Entities, providing for the development of the Proposed Project consistent with the terms and conditions of this Agreement.

I. The Public Entities anticipate that following execution of this Agreement and through the period of negotiation and the preparation of any DDA for the development of the Proposed Project, staff of the City on the behalf of the Public Entities, as well as certain consultants and attorneys hired by the Public Entities will devote substantial time and effort in reviewing plans, contacting and meeting with the Developer and various other necessary third parties, and providing other aid and assistance to the Developer in connection with the Proposed Project, as well as negotiating and preparing the proposed DDA described above.

Section 1. Definitions. The following terms shall have the meaning ascribed thereto, unless the context requires otherwise:

"Agreement" means this Amended and Restated Exclusive Negotiating Agreement, by and among the City, Successor Agency, the Authority and the Developer.

"Authority" means the Inglewood Parking Authority, a public body organized and existing pursuant to the California Parking Law of 1949.

"CEQA" has the meaning given in Section 7.

"City" means the City of Inglewood, a municipal corporation, organized and existing pursuant to the constitution and laws of the State of California.

"DDA" has the meaning given in Recital F.

"Developer" means Murphy's Bowl LLC, a Delaware limited liability company.

"Entitlements" has the meaning given in Section 25.

"Exclusive Negotiating Period" means a period of time consisting of thirty-six (36) months commencing on the Effective Date specified in this Agreement above, subject to extension as provided in this Agreement for Force Majeure and Challenges and/or for additional negotiations as established by the Public Entities pursuant to Section 4 below.

"Party" means any party to this Agreement.

"Potential Arena Site" has the meaning given in Recital A.

"Study Area Site" has the meaning given in Recital A.

"Successor Agency" means the City of Inglewood as Successor Agency to the Inglewood Redevelopment Agency, a public entity, corporate and politic, established pursuant to AB 26.

Section 2. Obligations of the Public Entities.

(a) During the Exclusive Negotiating Period and the sixty (60) day period referred to in Section 22 below, the Public Entities shall perform the following: (i) review and consider all financial documents required of Developer for the financing of the Proposed Project; and (ii) shall not negotiate with or consider any offers or solicitations from, any person or entity, other than the Developer, regarding a proposed DDA for the sale, lease, disposition, and/or development of the City Parcels or Agency Parcels within the Study Area Site; provided however, and notwithstanding anything contained in this Agreement, the City shall not be precluded from engaging in negotiations and discussions with current property owners and/or authorized tenants of the Potential Participating Parcels for the rehabilitation or development of their respective properties in accordance with existing City land use regulations and City Municipal Code requirements, and any such negotiations and discussions by the City shall not be a violation of this Agreement. City staff shall be available to meet with the Developer to discuss the proposed development of the Proposed Project, the site plan and architectural renderings, and any other issues pertinent to the preparation of a DDA for the proposed development of the Proposed Project within the Study Area Site.

(b) If the City and/or the Authority determines in their sole discretion that all or certain of those parcels of real property comprising the Potential Participating Parcels specifically identified by the Parties are desirable for the development of the Proposed Project, the City and/or the Authority, as applicable, subject to the Developer rights and obligations as set forth in Section 3(g), shall consider acquisition of the parcels of real property comprising the Potential Participating Parcels so identified by the Parties in accordance with applicable law. In the event the City and/or the Authority, as applicable, determined, in its sole discretion, that it(they) is(are) unable to acquire all such identified and desirable parcels of the Potential Participating Parcels by negotiated voluntary sale, then the City or the Authority, as applicable, may elect, in its sole discretion and without any obligation or commitment to do so, to give legal notice and schedule a

public hearing to consider the adoption of a resolution of necessity authorizing the acquisition of the Potential Participating Parcels by eminent domain. The adoption of the resolution of necessity shall be subject to the sole discretion of the City and/or the Authority and nothing in this Agreement shall obligate or commit the City and/or the Authority to adopt a resolution of necessity with respect to any of the Potential Participating Parcels.

(c) For purposes of Developer's initial due diligence for the Proposed Project during the Exclusive Negotiating Period, the City shall grant Developer access to the City Parcels and Agency Parcels pursuant to a right of entry agreement as described in Section 18(b), which right of entry shall continue as long as this Agreement is in effect; and the City shall respond to requests for information from the Developer in a timely fashion. The Public Entities acknowledge and agree that Developer's due diligence may encompass such matters as, without limitation, title and survey, environmental conditions, soil conditions, physical conditions, siting, access, traffic patterns, financing, economic feasibility, platting, and zoning.

Section 3. Obligations of Developer. During the Exclusive Negotiating Period the obligations of Developer shall include the following:

(a) Within thirty (30) days of the Effective Date of this Agreement, the Developer and City shall enter into a funding agreement pursuant to which the Developer shall reimburse the City for all third party costs incurred in obtaining the necessary documentation required for the review and consideration of the Proposed Project within the Study Area Site (the "Environmental Review"), as may be required by CEQA (as such term is defined in Section 7). The City shall consult with Developer and keep Developer reasonably informed regarding the proposed timeline for the Environmental Review and the selection of the vendors to perform the Environmental Review. The funding agreement shall provide a process where the City shall establish a budget for the Environmental Review which shall be approved or disapproved in Developer's reasonable discretion and shall contain a dispute resolution procedure in the event the parties cannot agree on the budget.

(b) Within one hundred fifty (150) days of the Effective Date of this Agreement, the Developer shall provide to the City a reasonable confidential draft of cost pro forma, and a reasonable confidential draft table describing the sources and uses of funds and cash flow projections and distributions, concerning the Proposed Project to be developed within the Study Area Site, and a narrative describing the fundamental economics of the Proposed Project (the "Proposed Project Pro Forma"), in a form reasonably acceptable to the City. If the Proposed Project Pro Forma submitted by the Developer to the City is not reasonably acceptable to the City, the City shall within thirty days after receipt of the Proposed Project Pro Forma provide detailed comments about the Proposed Project Pro Forma and set forth those items that are unacceptable to the City; pursuant to which, the City and the Developer shall meet and negotiate in good faith to modify the Proposed Project Pro Forma at a level acceptable to the City. The Parties acknowledge the information to be provided under this Section 3(b) and Section 3(c) may contain proprietary confidential material, and if so requested, the Public Entities and Developer will seek to enter into a mutually satisfactory confidentiality agreement, within the maximum limits permitted by law.

(c) Within sixty (60) days after the City finds the Proposed Project Pro Forma acceptable, the Developer shall also provide a confidential conditional commitment letter from an

equity investor providing the necessary equity financing consistent with the acceptable Proposed Project Pro Forma. This condition may be satisfied by the Developer submitting to the City evidence reasonably acceptable to the City demonstrating sufficient liquidity required for the development of the Proposed Project within the Study Area Site. If such submission is not reasonably acceptable to the City, the City shall within thirty days after receipt of the Proposed Project Pro Forma provide detailed comments setting forth those items that are unacceptable to the City, and the City and the Developer shall meet and negotiate in good faith to modify the submission(s) in order that such evidence may be acceptable to the City.

(d) Within one hundred eighty (180) days of the Effective Date of this Agreement, the Developer shall deliver to the City a sketch and legal description of the portions of the property which the Developer would like to acquire for development of the Proposed Project (which property shall constitute the "Proposed Arena Site") and a conceptual site plan and basic architectural renderings for the development of the Proposed Project and any additional information reasonably requested by the City concerning any conceptual site plan and basic architectural renderings for the development of the Proposed Project within the Study Area Site submitted by the Developer in a form sufficient to commence the Environmental Review. The Parties acknowledge that the detailed site plan and architectural drawings shall not be required to be prepared by Developer until Developer is processing the Entitlements (as such term is defined in Section 25, below), at which time final site plan and architectural renderings shall be prepared and shall include a well-defined architectural concept for the Proposed Project showing vehicular circulation and access points, amounts and location of parking, location and size of all buildings (including height and perimeter dimensions) pedestrian circulation, landscaping and architectural character of the Proposed Project. However, no such site plan or architectural renderings shall be deemed final until the completion of Environmental Review in accordance with CEQA and approved by the City pursuant to an approved and executed DDA and the submittal of complete applications by the Developer for the Entitlements required for development of the Proposed Project within the Study Area Site.

(e) Conduct and make at least two presentations of the Proposed Project at community meetings noticed per City instructions. The first such community meeting shall be conducted not later than ninety (90) days after the date of the expiration of the one hundred fifty (150) day period referenced in Section 3(b), above, and the second such community meeting shall be conducted not later than one hundred and eighty (180) days after the date of the first community meeting.

(f) The Public Entities acknowledge that in consideration for the Public Entities entering into this Agreement, the Developer has delivered and City has accepted the Non-Refundable Deposit required by Section 5.

(g) If the City and/or the Authority determine in their sole discretion that all or certain of those parcels of real property comprising the Potential Participating Parcels specifically identified by the Parties are desirable for the development of the Proposed Project, and the City and/or the Authority determine to acquire, in accordance with all applicable law, all or certain of these desirable parcels, the Developer shall fully advance to the City and/or Authority, as applicable, all costs associated with the acquisition of these parcels including, but not limited to, the payment of the negotiated purchase price for these parcels and all legally required relocation costs associated with the acquisitions (the "Developer Contribution") within a reasonable time

following the written notice from the City and/or Authority requesting the Developer Contribution; provided, however, that as to any such Potential Participating Parcel for which the Developer Contribution is sought, before the City and/or Authority: (i) take any action that would create any obligations whatsoever on the part of the Developer, in each case with respect to acquiring such parcel, it shall first obtain the Developer's consent (which shall not be unreasonably withheld, conditioned or delayed) to such actions; or (ii) enter into any acquisition agreement with any owner of any such parcel, it shall first obtain the Developer's consent (which shall not be unreasonably withheld, conditioned or delayed) for the proposed purchase price for any such parcel(s). In the event that the City and/or Authority, as applicable, legally determines to use its/their eminent domain authority subject to applicable California eminent domain law requirements and limitations, after having adopted a resolution of necessity authorizing the acquisition, to acquire all or certain parcels of the real property comprising the Potential Participating Parcels desirable for the development of the Proposed Project, the Developer shall advance to the City and/or Authority, as applicable, all costs associated with the exercise of such eminent domain authority (including all court costs and reasonable legal fees), as well as all acquisition costs including, but not limited to, the payment of fair market value for each of the condemned parcels as determined by the Court, or pursuant to a negotiated acquisition or settlement agreement, as approved by the Developer (the "Expanded Developer Contribution") within a reasonable amount of time following written notice from the City and/or Authority requesting the Expanded Developer Contribution; provided, however, that before the City and/or the Authority take any actions with respect to exercising such eminent domain authority as to any such Parcel for which the City and/or the Authority requests the Expanded Developer Contribution, it or they, as applicable, shall first obtain the Developer's consent (which shall not be unreasonably withheld, conditioned or delayed) to such actions. In addition, subject to the aforesaid prior consent, the Developer shall also pay all legally required relocation costs associated with such acquisition. With the exception of the court costs and reasonable attorney fees advanced and paid by the Developer for the eminent domain action undertaken by the City and/or the Authority, as applicable, all such advanced acquisition costs shall be credited against the "Payment Consideration Amount" as defined and described in Section 6(c) below, payable by the Developer to the City and/or the Authority, as applicable, for the conveyance of the applicable portions of the Study Area Site. The Parties agree that, upon the acquisition by the City and/or the Authority, as applicable, of any Potential Participating Parcel pursuant to this Section 3(g), such Potential Participating Parcel shall, for all purposes of this Agreement, be deemed to be a City Parcel or Agency Parcel, as the case may be.

Section 4. Exclusive Negotiation Period.

THE EXCLUSIVE NEGOTIATING PERIOD SHALL, IF NOT SOONER TERMINATED AS PROVIDED IN SECTION 8, TERMINATE ON THE DATE THAT IS THIRTY-SIX (36) MONTHS AFTER THE EFFECTIVE DATE HEREOF, SUBJECT TO EXTENSION AS PROVIDED IN THIS AGREEMENT FOR FORCE MAJEURE AND CHALLENGES. HOWEVER, THE EXCLUSIVE NEGOTIATING PERIOD MAY ALSO BE EXTENDED BY THE MUTUAL WRITTEN CONSENT OF THE PARTIES FOR ONE ADDITIONAL PERIOD OF SIX (6) MONTHS. THE CITY MANAGER MAY: (1) GRANT SUCH EXTENSION FOR AND ON BEHALF OF THE CITY; AND (2) GRANT SUCH EXTENSION IN HIS CAPACITY AS EXECUTIVE DIRECTOR OF THE SUCCESSOR AGENCY, FOR AND ON BEHALF OF THE SUCCESSOR AGENCY, AND (3) GRANT SUCH EXTENSION IN HIS CAPACITY AS EXECUTIVE DIRECTOR OF THE AUTHORITY FOR

AND ON BEHALF OF THE AUTHORITY, ALL OF WHICH IN HIS REASONABLE DISCRETION. HOWEVER, NOTWITHSTANDING THE FOREGOING, THE CITY MANAGER AND IN HIS CAPACITY AS EXECUTIVE DIRECTOR SHALL NOT DENY ANY REQUESTED EXTENSION IF AT THE TIME OF THE REQUEST BY DEVELOPER, THE PUBLIC ENTITIES ARE UNABLE TO SIGN A DDA DUE TO ITS FAILURE TO: (I) COMPLETE ANY APPLICABLE ENVIRONMENTAL REVIEW NECESSARY FOR THE PUBLIC ENTITIES TO SIGN A DDA; OR (II) SATISFY ANY CONDITION OR REQUIREMENT OF AB 26.

Initials:

RAV
Developer

City

Successor Agency

Authority

If the City Manager and in his capacity as Executive Director, has granted a written extension of the term of this Agreement as provided hereinabove, then the Parties shall within such extended term, and subject to Developer's right to terminate this Agreement under Section 8(b), continue to negotiate in good faith a DDA in accordance with the terms of this Agreement for the proposed development of the Proposed Project on the Study Area Site, and the Exclusive Negotiating Period under this Agreement shall be deemed extended for the period of the extension.

However, notwithstanding the foregoing, the City Manager and in his capacity as Executive Director may, in his sole discretion, submit any extension request to the City Council, the Successor Agency and the Authority for their consideration consistent with this Section 4.

Section 5. Non-Refundable Deposit. Developer, within twenty-four (24) hours after City's approval of the Prior ENA, deposited with the City the sum of One Million Five Hundred Thousand Dollars (\$1,500,000) which amount constituted and is referred to herein as the "Non-Refundable Deposit." The Non-Refundable Deposit was paid as consideration to the Public Entities for entering into the Prior ENA and shall be used as consideration for the Public Entities entering into this Agreement, and the City shall have the right, but not the obligation to use or spend the proceeds of the Non-Refundable Deposit towards the payment of certain administrative costs and any other related expenses incurred by the Public Entities (the "City Expenses") relative to the negotiation and preparation of a DDA and/or the implementation of the various obligations of the Public Entities as set forth in this Agreement. All proceeds of the Non-Refundable Deposit shall be the sole property of the City upon submittal by Developer, and shall in no event be refundable, in whole or in part, to the Developer for any reason including, but not limited, to the Parties' inability to enter into a DDA.

Section 6. Disposition and Development Agreement. Subject to the Parties' rights to terminate this Agreement under Section 8, the Parties hereby acknowledge and agree that during the Exclusive Negotiation Period, the Parties shall use their respective good faith efforts to negotiate and enter into a DDA which shall include, but not be limited to, the following terms. The Parties hereby acknowledge that the following terms set forth a general outline for the Parties going forward and that the DDA will contain substantial additional terms which, through mutual negotiation and agreement, may differ from the following specific provisions and that nothing

herein binds the Public Entities to undertake any action except in compliance with CEQA as provided in Section 7:

(a) A Scope of Development setting forth the specific development components of the Proposed Project including the total square feet of the Proposed Project, the number of required parking spaces and the design parameters for the Study Area Site including, but not be limited to, demolition and clearance activity on the Study Area Site, building height, acceptable architectural and landscape quality, access and circulation, determination of parcel boundaries, on-site and off-site improvements, site-perimeter treatment, landscaped buffers, parking, signage, lighting, and easements, if applicable. The design of the Proposed Project to be developed within the Study Area Site by the Developer shall be reasonably consistent with any concept, plans, schematics and drawings approved by the City.

(b) Developer's submittal to the City of various concepts, plans, schematics and drawings depicting the development of the Proposed Project within the Study Area Site on a phase-by-phase basis, the final construction plans and all other items and materials required by the City for its approval consideration of the Entitlements needed for the Proposed Project within the Study Area Site. Prior to conveyance of the Potential Arena Site to the Developer or as soon thereafter as they are completed, the Developer shall provide concept and schematic plans for the entire Proposed Project as well as final construction plans and any other related items or materials required for the development of the Proposed Project on the Potential Arena Site.

(c) Any DDA that may be negotiated and entered into pursuant to this Agreement by the Parties shall provide that the Developer shall pay a purchase price of not less than fair market value for the conveyance of the City Parcels and Agency Parcels (which fair market value shall be determined by an appraisal of the City Parcels and Agency Parcels using a valuation date as of the Effective Date), and if applicable, by the Authority (collectively, the "Payment Consideration Amount"). Notwithstanding the foregoing, the Payment Consideration Amount shall be subject to reduction as a consequence of any payment obligation of the Developer attributable to all reasonable costs associated with any environmental remediation reasonably approved by the Public Entities required for the development of the Proposed Project on the Potential Arena Site in accordance with remediation procedures established by any applicable governing or public entity having jurisdiction over the remediation of the Study Area Site and for the payment by the Developer of any advance pursuant to Section 3(g) above.

(d) Establishment of a detailed Schedule of Performance in which an acquisition and construction schedule for the development of the Proposed Project on the Potential Arena Site will be provided and the time frame for the submittal of final plans and specifications by the Developer for approval consideration by the Public Entities, consistent with the approved Scope of Development. The Schedule shall also include Developer participation in community presentations for the expressed purpose of allowing community residents to review the plans and drawings.

(e) The operation and management of the Proposed Project by the Developer in a good and professional manner.

(f) The maintenance of landscaping, buildings and improvements in good condition and satisfactory state of repair so as to be attractive to the community residents.

(g) The operation of the proposed development of the Proposed Project on the Potential Arena Site by the Developer in compliance with all applicable equal opportunity standards established by Federal, California State and local law.

(h) If the City determines in its reasonable discretion that the financial status of Developer and the Guarantor is not sufficient to satisfy the obligations of the Developer under any DDA, then the City may mandate a provision requiring the Developer's contractor to provide a payment and performance bond ensuring the obligations of said contractor, where necessary.

(i) The payment by Developer on or before the execution of the DDA by City of a Good Faith Deposit in a form provided for in the DDA, in the amount provided in the DDA, which, at the option of the Developer, may be applied towards the Payment Consideration Amount.

(j) A provision providing that the Developer shall be solely responsible for all development costs of the Proposed Project. Neither the Public Entities, nor any of their officers, employees, consultants or agents have provided any direct or indirect information or taken any position which in any way would indicate that the proposed development of the Proposed Project on the Potential Arena Site is or is not subject to the State of California's prevailing wage requirements.

(k) A sources and uses budget, which shall be based upon a financial pro forma that has been reasonably approved by the City, and a feasible method of financing, reasonably demonstrating to the City the availability of all funds needed to complete the development of the Proposed Project on the Potential Arena Site. The DDA shall require the submittal of documentation of all proposed construction loans and owner equity needed to carry out the proposed method of financing. Developer agrees to make continuing full disclosure to the City of its proposed methods of financing, including the financing of any off-site improvements that are required to obtain the necessary entitlements for the Proposed Project on the Potential Arena Site.

(l) It is the intention of the Public Entities and Developer that the disposition and development of the Potential Arena Site be completed in a timely and an expeditious manner. Accordingly, a Schedule of Performance shall be included encompassing appropriate and necessary legal, administrative, transfer of property ownership and interests, financial and construction benchmarks to be met by the appropriate Party, together with required conditions precedent for the conveyance of the Potential Arena Site or applicable portions thereof, including without limitation adequate evidence of financing and entitlements for the proposed development of the Potential Arena Site. The Schedule of Performance shall be subject to extension for: (a) "Force Majeure" (a period of time equal to any period of delay experienced by Developer due to strikes, civil riots, war, invasion, fire or other casualty, acts of God, unavailability of labor or materials, adverse weather conditions, act or failure to act of governmental or quasi-governmental authorities or utilities, including failure or delay in issuing necessary approvals, permits and licenses, and zoning changes and any act or failure to act of third-party utility service providers, or other causes beyond the reasonable control of Developer; and (b) in the event of an administrative appeal, judicial challenge, or filing an application for referendum for such approval

to any of the Entitlements (collectively a "Challenge") until the Challenge is finally resolved on terms satisfactory to Developer or waived in its sole discretion.

(m) Appropriate controls to regulate the use of the Potential Arena Site, including but not limited to an Agreement Affecting Real Property, setting forth the ongoing uses, tenant selection criteria and maintenance obligations with respect to the Potential Arena Site in the form of covenants binding on all successors and assigns.

(n) Subject to the adjustment to the Payment Consideration Amount as contemplated in Section 6(c) hereof, the Developer's responsibility for all costs and fees associated with the removal or remediation of any potentially Hazardous Materials from the Potential Arena Site, and demolition and clearance of all improvements on the Potential Arena Site;

(o) The DDA shall be subject to the City's standard insurance requirements for the development of the Potential Arena Site and all other applicable and customary City policies;

(p) The Developer shall use its best efforts to utilize (subject to Developer's right to impose customary screening and qualification standards on all hires) local residents and community businesses in all aspects of the development of the Proposed Project.

(q) In order to attempt to provide additional employment opportunities for Inglewood residents and businesses, the Developer shall engage in the following process with the goal of hiring qualified Inglewood residents for no less than 30% of the construction workforce for the Proposed Project from a list of targeted zip codes mutually agreed upon by the City and Developer and 35% of the employment positions needed in connection with Developer's operation of the Potential Arena Site after completion of the Proposed Project: (i) upon commencement of a job search, publication of employment opportunities in a newspaper of general circulation in Inglewood, social media and the City's website, and (ii) utilization of the resources and networks of the WOCP to create a community resource list that includes Southbay Workforce Investment Board as the primary resource agency and other similar organizations whose capabilities are matched with the particular needs of the Proposed Project. Developer and its contractors, subcontractors and vendors' obligations with respect to this goal shall be satisfied by engaging in the following activities: (w) utilization of the WOCP to identify and solicit qualified Inglewood residents; (x) coordination with organizations such as the Inglewood Airport Chamber of Commerce and Inglewood Partners for Progress to identify and solicit qualified Inglewood residents; (y) funding by Developer and participation in job fairs as may be reasonably requested by City and (z) coordination of local jobs training programs including pre-apprentice programs with the Southbay Workforce Investment Board as the primary resource agency and other local job resource agencies.

(r) To the extent legally permissible, Developer shall designate, and shall cause its contractors, subcontractors, vendors and other third parties under its control or with whom it enjoys privity of contract to designate the City of Inglewood as the point of sale for California sales and use tax purposes (to the extent the payment of sales and use tax is required by applicable law), for all purchases of materials, fixtures, furniture, machinery, equipment and supplies for the development of the Potential Arena Site during construction thereof.

(s) The delivery to the City on or before the City's execution of the DDA of a Performance and Completion Guaranty of an individual or entity (the "Guarantor") having a net worth at least equal to that of the Guarantor approved by the City in its sole and absolute discretion, assuring the timely performance of the Developer's obligations under the DDA.

(t) The installation and placement of appropriate signage on the Potential Arena Site identifying the use of the Potential Arena Site as a premier and state of the art NBA arena and certain ancillary uses related to and compatible with the operation of the arena.

(u) Additional environmental, feasibility, Entitlements, NBA approval and/or other contingencies on the obligations of the Parties.

Section 7. California Environmental Quality Act. Execution of a DDA shall be subject to compliance with the California Environmental Quality Act ("CEQA"), California Public Resources Code §§ 21000 *et seq.* (as amended, and including any successor statutes and regulations promulgated pursuant thereto). In this regard, the City may conduct an Initial Study of the Proposed Project pursuant to Title 14, Division 6, Chapter 3, Section 15063 of the California Code of Regulations or other appropriate documentation in order to determine the appropriate environmental documents and procedures that may be necessary to comply with CEQA as to the consideration and potential approval of any DDA by the Public Entities relating to the Proposed Project. The Developer hereby agrees to provide all assistance to the City necessary for the Public Entities to carry out their obligations under CEQA. In the event the City determines after consultation with the Developer, but in its independent judgment or any time determines that additional Environmental Review is required pursuant to CEQA, all such costs of the additional environmental work shall be the responsibility of the Developer as required by CEQA. If the Proposed Project is found to cause significant adverse impacts that cannot be mitigated, the Public Entities retain absolute discretion to require implementation of mitigation measures, modify the Proposed Project or select feasible alternatives to mitigate or avoid significant adverse environmental impacts, reject the Proposed Project as proposed if the economic and social benefits of the Proposed Project do not outweigh otherwise unavoidable significant adverse impacts of the Proposed Project, or approve the Proposed Project upon a finding that the economic, social, or other benefits of the Proposed Project outweigh unavoidable significant adverse impacts of the Proposed Project.

Section 8. Termination.

(a) Any Party may terminate this Agreement if another Party should materially fail to comply with and perform in a timely manner all provisions hereof to be performed by the Party, or if no progress is being made in the DDA negotiations as a result of its failure to negotiate a DDA in good faith as required hereby. The Party claiming a failure shall give thirty (30) days written notice to the other Parties specifying any failure under the terms of this Agreement. The Party claiming failure shall not terminate this Agreement if the other Party(ies) cures the deficiency(ies) specified in the notice within said thirty (30) day period, or commences to cure to completion the deficiency(ies) in the event such deficiency(ies) cannot be cured within the requisite thirty (30) day period.

(b) Developer may at any time and for any reason during the Exclusive Negotiating Period elect not to proceed with the Proposed Project. Upon such an election Developer shall promptly provide written notice of termination of this Agreement to the other Parties.

(c) Upon a termination of this Agreement pursuant to the foregoing Section 8(a) or Section 8(b), (i) no portion of the Non-Refundable Deposit shall be returned to the Developer and the entire amount shall be retained by the City as its property, (ii) but any funds advanced by the Developer to the City and/or Authority pursuant to Section 3(g) shall be returned to the Developer (less reasonable attorneys' fees and costs incurred by the Public Entities in connection with the eminent domain proceedings, including, but not limited to, any damages payable to the owners and/or tenants of the Potential Participating Parcels and/or their respective legal counsel associated with the abandonment of the eminent domain proceedings as required to be paid under California law; provided however, if the City and/or Authority elect to continue to proceed with any eminent domain action commenced prior to the termination of this Agreement following the termination of this Agreement, the City and/or the Authority shall be solely responsible for the payment of any awards, settlements or judgments in any such action and any costs associated with such action incurred after the termination of this Agreement), and (iii) the Parties shall have no further obligations to each other except for those obligations, if any, which by the terms of this Agreement expressly survive its termination.

Section 9. Governing Law. This Agreement and the legal relations between the parties hereto shall be governed by and construed and enforced in accordance with the laws of the State of California. Moreover, the parties hereby agree that in the event of litigation between the parties, venue for litigation brought in any state court shall lie exclusively in the County of Los Angeles, Superior Court, Southwest District located at 825 Maple Avenue, Torrance, California 90503-5058, and venue for any litigation brought in any federal court shall lie exclusively in the Central District of California, Los Angeles.

Section 10. No Other Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. There are no agreements or understandings between the parties and no representations by either party to the other as an inducement to enter into this Agreement, except as expressly set forth herein. All prior negotiations between the parties are superseded by this Agreement. This Agreement may not be altered, amended or modified except by a written agreement executed by the Parties. Notwithstanding anything provided herein to the contrary, whether expressed or implied, neither the Public Entities nor the Developer shall have any obligation to enter into a DDA with the other party and neither Public Entities nor the Developer, nor any of their respective officers, members, staff or agents have made any promises to the other party other than to exclusively negotiate in good faith with the other party during the Exclusive Negotiating Period, and no statements of either the Public Entities or their respective officers, members, staff or agents as to future obligations shall be binding upon the Public Entities until Environmental Review has been completed and a DDA has been approved by the Public Entities, and duly executed by the Mayor of the City and Chairman of the Successor Agency and Authority, respectively.

Section 11. Prohibition Against Assignment of Agreement and Transfer of Study Area Site. This Agreement shall not be assigned or transferred by the Developer without the prior written consent of the Public Entities which may not be unreasonably withheld by the Public

Entities. The Public Entities shall not voluntarily transfer their respective interests in any portion of the Study Area Site during the term of this Agreement to any third party but shall be allowed to transfer to either the City or the Authority their respective interests in the parcels comprising the Study Area Site.

Section 12. Notices. Any notice which is required or which may be given hereunder may be delivered or mailed to the party to be notified, as follows:

If to the Developer:

Murphy's Bowl LLC
P.O. Box 1558
Bellevue, WA 98009-1558
Attention: Brandt A. Vaughan

With a copy to:

Murphy's Bowl LLC
c/o SPI Holdings
88 Kearny Street, Suite 1818
San Francisco, CA 94108
Attention: Dennis J. Wong

With a copy to:

Wilson Meany
Four Embarcadero Center, Suite 3330
San Francisco, CA 94111
Attention: Chris Meany

With a copy to:

Ring Hunter Holland & Schenone, LLP
985 Moraga Road, Suite 210
Lafayette, CA 94549
Attention: Chris Hunter, Esq.

With a copy to:

Helsell Fetterman LLP
1001 Fourth Avenue, Suite 4200
Seattle, WA 98154
Attention: Mark Rising, Esq.

If to the Public Entities:

City of Inglewood/Successor Agency/Authority
One Manchester Boulevard, 9th Floor
Inglewood, California 90301
Attention: Artie Fields, City Manager/Executive Director
Attention: Christopher E. Jackson, Sr., ECDD Manager

With a copy to:

Inglewood City Attorney/Successor Agency and Authority
General Counsel
One Manchester Boulevard, 8th Floor
Inglewood, California 90301
Attention: Kenneth R. Campos, Esq., City Attorney

With a copy to:

Kane, Ballmer and Berkman
City/Successor Agency and Authority Special Counsel
515 S. Figueroa Street, Suite 780
Los Angeles, CA 90071
Attention: Royce K. Jones, Esq.

Section 13. No Commitment to Approve DDA. Notwithstanding any provision of this Agreement, the Developer acknowledges and agrees that nothing in this Agreement shall obligate the Public Entities to approve a DDA nor any proposed development within the Study Area Site or shall otherwise expressly or impliedly obligate the Public Entities to sell and/or lease any property or interests therein. The Developer further acknowledges and agrees that the approval of this Agreement and a DDA and any participation in any portion of the Proposed Project by the Public Entities shall be in the sole and absolute discretion of the Public Entities. The Developer further acknowledges and agrees that this Agreement does not confer upon the Developer the right to have a DDA or develop the Proposed Project within the Study Area Site or any portion thereof absent an approved and executed DDA by the Public Entities. The Public Entities acknowledge and agree that nothing in this Agreement shall obligate the Developer to enter into a DDA, provided, however, that the Developer shall promptly notify the Public Entities if it elects not to proceed with the Proposed Project. The Parties in no way intend for this Agreement to waive or restrict the Public Entities' exercise of their independent, discretionary judgment with regard to CEQA or a DDA for the development of the Proposed Project within the Study Area Site or any portion thereof, or any City discretionary decisions or determinations relative to Entitlements required for the Proposed Project.

Section 14. Progress Reports. From time-to-time, as requested by City, by prior written notice to the Developer, the Developer shall make oral and written progress reports advising the City on all matters related to the proposed development, including financial feasibility analyses, construction cost estimates, marketing studies, and similar due diligence matters. All third party non-legally privileged work product documents and due diligence material (not including

confidential materials and proprietary economic data, but including engineering studies, soils studies, environmental studies and similar work product relating to the Study Area Site which is required to be submitted to the City in connection with the Plot Plan Review for the Proposed Project) (the "Work Product"), shall be made available to the City, without any representation, warranty or liability to the Developer. In the event of the termination of this Agreement without the execution of a DDA by the Public Entities and the Developer (other than in the event of a default by the City), the City shall have the right, in its sole discretion, to take possession of any and all Work Product owned by Developer (subject to any retained rights of the party preparing said Work Product) and use such documents and information contained therein in connection with development within the Study Area Site; provided however, Developer makes no representation or warranty with respect to such documents and information; pursuant to which, Developer shall have no liability to the Public Entities, or any other person or entity in connection with providing such documents, the contents thereof and the Public Entities' (or any other person's or entity's) reliance on such documents or information.

Section 15. Disclosure. At the written request of the City, the Developer agrees to disclose to City its partners, principals, officers, stockholders, associates, and of all other material, non-privileged non-proprietary pertinent information concerning the proposed development and the Developer, including the Developer's consultants and the design, financing, and development teams proposed by the Developer and the respective roles and responsibilities of all such parties.

Section 16. Cooperation. Each Party shall cooperate with the other Party and provide such additional information and data relating to the proposed development of the Proposed Project with the Study Area Site, including financing of the Proposed Project, or any necessary information about the development experience of the Developer and any other participants as the City may request from time to time.

Section 17. Brokers. The Public Entities shall not be liable in any manner for any real estate commission or brokerage fees which may arise from the transactions contemplated by this Agreement other than any broker engaged in writing by the Public Entities. The Public Entities and the Developer each represent that it has engaged no broker, agent, or finder in connection with this transaction, and the Developer agrees to indemnify and hold the Public Entities harmless from any claim by any broker, agent, or finder retained by the Developer.

Section 18. Hazardous Materials and Study Area Site Conditions.

(a) The Developer shall be solely responsible for all necessary testing of the Study Area Site for hazardous materials pursuant to all applicable laws, statutes, rules and regulations. Upon fee and/or leasehold acquisition of each parcel of the Study Area Site, as applicable, the Developer shall also be responsible for making each such parcel of the Study Area Site usable for the proposed development of the proposed Project on such parcel as a result of any Study Area Site conditions including, without limitation, flood zones, Alquist-Priolo Earthquake Fault Zoning Act, and similar matters. For purposes of this Agreement, "hazardous materials" shall mean any substance, material or waste which is or becomes regulated by any local governmental authority, the State of California and/or the United States Government, including, but not limited to asbestos; polychlorinated biphenyls (whether or not highly chlorinated); radon gas; radioactive materials; explosives; chemicals known to cause cancer or reproductive toxicity; hazardous waste, toxic

substances or related materials; petroleum and petroleum product, including, but not limited to, gasoline and diesel fuel; those substances defined as a "Hazardous Substance", as defined by Section 9601 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq., or as "Hazardous Waste" as defined by Section 6903 of the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.; an "Extremely Hazardous Waste," a "Hazardous Waste" or a "Restricted Hazardous Waste," as defined by The Hazardous Waste Control Law under Section 25115, 25117 or 25122.7 of the California Health and Safety Code, or is listed or identified pursuant to Section 25140 of the California Health and Safety Code; a "Hazardous Material", "Hazardous Substance," "Hazardous Waste" or "Toxic Air Contaminant" as defined by the California Hazardous Substance Account Act, laws pertaining to the underground storage of hazardous substances, hazardous materials release response plans, or the California Clean Air Act under Sections 25316, 25281, 25501, 25501.1 or 39655 of the California Health and Safety Code; "Oil" or a "Hazardous Substance" listed or identified pursuant to 311 of the Federal Water Pollution Control Act, 33 U.S.C. 1321; a "Hazardous Waste," "Extremely Hazardous Waste" or an "Acutely Hazardous Waste" listed or defined pursuant to Chapter 11 of Title 22 of the California Code of Regulations Sections 66261.1 through 66261.126; chemicals listed by the State of California under Proposition 65 Safe Drinking Water and Toxic Enforcement Act of 1986 as a chemical known by the State to cause cancer or reproductive toxicity pursuant to Section 25249.8 of the California Health and Safety Code; a material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, materially damages or threatens to materially damage, health, safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or government agency requires in order for the Potential Arena Site to be put to the purpose proposed by this Agreement; any material whose presence would require remediation pursuant to the guidelines set forth in the State of California Leaking Underground Fuel Tank Field Manual, whether or not the presence of such material resulted from a leaking underground fuel tank; pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. 136 et seq.; asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. 2601 et seq.; any radioactive material including, without limitation, any "source material," "special nuclear material," "by-product material," "low-level wastes," "high-level radioactive waste," "spent nuclear fuel" or "transuranic waste" and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act, 42 U.S.C. 2011 et seq., the Nuclear Waste Policy Act, 42 U.S.C. 10101 et seq., or pursuant to the California Radiation Control Law, California Health and Safety Code, Sections 25800 et seq.; hazardous substances regulated under the Occupational Safety and Health Act, 29 U.S.C. 651 et seq., or the California Occupational Safety and Health Act, California Labor Code, Sections 6300 et seq.; and/or regulated under the Clean Air Act, 42 U.S.C. 7401 et seq. or pursuant to The California Clean Air Act, Sections 3900 et seq. of the California Health and Safety Code. Any studies and reports generated by the Developer's testing for hazardous materials shall be made available to the City upon the City's request. The City will deliver to the Developer all actually known reports within its possession or under its control regarding Hazardous Materials relating to the Study Area Site.

(b) Upon the execution by Developer of a right of entry agreement acceptable in form and substance to the Public Entities, and upon Developer's satisfaction of conditions precedent therein, which agreement and conditions precedent shall include indemnification of the Public Entities, insurance of the Public Entities and the provision of adequate security for the restoration of the area accessed to substantially its condition prior to any such permitted entry, the Public

Entities shall, subject to the rights of any tenant, permit Developer and/or Developer's representatives to enter the Study Area Site at reasonable times for the purpose of soils testing, survey work and other predevelopment activities.

(c) Notwithstanding anything in this Agreement to the contrary, by entering this Agreement, neither the Public Entities nor the Developer release, waive, discharge or otherwise alter any and all rights to pursue compensation, damages, contribution, indemnification and/or other remedies against any third party, including without limitation, related to Hazardous Materials or the clean-up, remediation or disposal thereof.

Section 19. Indemnity. Developer shall indemnify, defend, and hold the Public Entities, and their respective directors, officers, employees, agents, and successors and assigns (the "Indemnitee" in this Section) harmless against all suits and causes of action, claims, costs, and liability, including, but not limited to, reasonable attorney's fees and costs of any litigation, or arbitration or mediation, if any, brought by third parties (1) challenging the validity, legality or enforceability of this Agreement or (2) seeking damages which may arise directly or indirectly from the negotiation, formation, execution, enforcement or termination of this Agreement, or which are incident to the performance of the activities contemplated in this Agreement. Nothing in this Section shall be construed to mean that Developer shall hold the Indemnitee harmless and/or defend the Indemnitee to the extent of any claims arising from, or alleged to arise from the negligence, or willful misconduct or illegal acts of any of the Indemnitees, or the breach by the Public Entities of any agreement relating to the Study Area Site, including but not limited to this Agreement and any DDA, if approved. The Public Entities agree to fully cooperate with Developer in the defense of any matter in which Developer is defending and/or holding the Indemnitee harmless. The Public Entities may make all reasonable decisions with respect to its representation in any legal proceeding, including, but not limited to, the selection of attorney(s). This indemnity obligation shall survive the termination of this Agreement.

Section 20. No Third Party Beneficiaries. The Public Entities and the Developer expressly acknowledge and agree they do not intend, by their execution of this Agreement, to benefit any persons or entities not signatory to this Agreement, including, without limitation, any brokers representing the parties to this transaction. No person or entity not a signatory to this Agreement shall have any rights or causes of action against either the Public Entities or the Developer arising out of or due to the Public Entities' or the Developer's entry into this Agreement.

Section 21. Offer to Enter Negotiations. This Agreement, when executed by the Developer and delivered to the City, shall be deemed to be an offer by the Developer to enter into negotiations pursuant to the terms of this Agreement and will then be scheduled jointly for approval consideration by the Public Entities. This Agreement must be authorized, executed and delivered by the Public Entities within sixty (60) days after the date of signature by the Developer or the Developer shall have the right to withdraw its offer to enter into this Agreement upon written notice to the Public Entities. The Exclusive Negotiating Period shall commence and this Agreement shall not be effective until the Effective Date, which is the first calendar day of the month following the date this Agreement has been executed by both of the Parties, which date shall be entered on the first paragraph of this Agreement by the Public Entities after approval of this Agreement.

Section 22. Public Entities Rights. The Developer understands and agrees that in the event of the termination or expiration of this Agreement without the execution of a DDA, the Public Entities shall have the right, in their respective discretion, to commence exclusive negotiations with any other third party developer selected for the development of the parcels comprising the Study Area Site, without the need for any consultation or approval by the Developer. The Developer acknowledges and agrees that it will not receive any property interest in the Study Area Site of any kind as a result of entering into this Agreement.

In the event the Developer executes a DDA consistent with the provisions of this Agreement prior to the termination or expiration of the Exclusive Negotiating Period, then within sixty (60) days of the delivery to City of such DDA, the Public Entities shall consider whether to approve or disapprove such DDA. If the Public Entities' approval does not occur within such 60 day period, the Developer shall have the right to withdraw its offer to enter into such DDA upon written notice to the Public Entities.

Section 23. Counterparts. This Agreement may be executed in counterparts, each of which when so executed shall be deemed an original, and all of which, together, shall constitute one and the same instrument.

Section 24. Attorney's Fees. In the event that either party hereto brings an action or proceeding against the other party to enforce or interpret any of the conditions or provisions of this Agreement, the prevailing party shall be entitled to recover all reasonable attorney's fees and expenses and court costs associated with such action or proceeding.

Section 25. Effect of Agreement. Notwithstanding any other provision of this Agreement, the Parties expressly acknowledge and agree as follows:

(a) None of the matters described in this Agreement as a purported commitment or obligation of the Parties to be contained in a proposed DDA shall have any effect unless and only to the extent such matters are expressly set forth in a DDA or other written agreement duly authorized, approved and executed by the Parties. Notwithstanding any provision of this Agreement to the contrary, Developer acknowledges and expressly agrees as follows: (i) that this Agreement does not obligate the Public Entities in any way to approve, in whole or in part, any of the matters described in this Agreement, including, without limitation, matters pertaining to land use entitlements or approvals, permits, waivers or reduction of fees, development or any other matters (the "Entitlements") to be acted on independently by the City; (ii) that all such required Entitlements shall be considered and processed by the City in accordance with all applicable City requirements and procedures; and (iii) that the City reserves all rights to approve, disapprove or approve with conditions all such Entitlements in its sole and absolute discretion. Upon the execution of a DDA by the Parties, this Agreement shall be null and void and of no effect and shall be superseded by the terms and conditions of the DDA.

(b) The Parties shall promptly commence the good faith negotiation of a DDA following the execution of this Agreement by the Parties. Each Party acknowledges and agrees that, for the purposes of this Agreement, a Party shall be deemed to be acting in good faith so long as it makes reasonable efforts to attend scheduled meetings, directs its consultants to cooperate with the other Parties, provides information necessary for the negotiations to the other Parties,

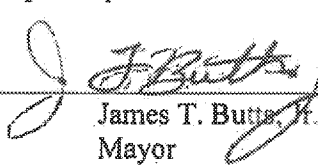
participates in negotiations, and uses commercially reasonable efforts to promptly review and return with comments all correspondence, reports, documents, or agreements received from another Party that require such comments. Upon termination of this Agreement for any reason, without limiting the provisions of Section 8(c), the obligation of the Parties to negotiate in good faith shall terminate.

IN WITNESS WHEREOF, the City, Successor Agency, Authority and Developer have executed this Agreement in the City of Inglewood, Los Angeles County, California, on the date hereinabove first set out.

CITY:

CITY OF INGLEWOOD,
a municipal corporation

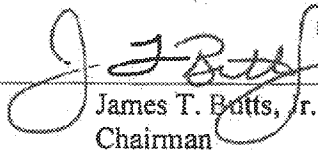
By: _____


James T. Butts, Jr.
Mayor

SUCCESSOR AGENCY:

CITY OF INGLEWOOD AS SUCCESSOR
AGENCY TO INGLEWOOD REDEVELOPMENT
AGENCY, a public body, corporate and politic

By: _____


James T. Butts, Jr.
Chairman

AUTHORITY:

INGLEWOOD PARKING AUTHORITY, a public
body, corporate and politic

By: _____


James T. Butts, Jr.
Chairman

DEVELOPER:

Murphy's Bowl LLC, a Delaware limited liability
company

By: _____


Its: Manager

participates in negotiations, and uses commercially reasonable efforts to promptly review and return with comments all correspondence, reports, documents, or agreements received from another Party that require such comments. Upon termination of this Agreement for any reason, without limiting the provisions of Section 8(c), the obligation of the Parties to negotiate in good faith shall terminate.

IN WITNESS WHEREOF, the City, Successor Agency, Authority and Developer have executed this Agreement in the City of Inglewood, Los Angeles County, California, on the date hereinabove first set out.

CITY:

CITY OF INGLEWOOD,
a municipal corporation

By: _____
James T. Butts, Jr.
Mayor

SUCCESSOR AGENCY:

CITY OF INGLEWOOD AS SUCCESSOR
AGENCY TO INGLEWOOD REDEVELOPMENT
AGENCY, a public body, corporate and politic

By: _____
James T. Butts, Jr.
Chairman

AUTHORITY:

INGLEWOOD PARKING AUTHORITY, a public
body, corporate and politic

By: _____
James T. Butts, Jr.
Chairman

DEVELOPER:

Murphy's Bowl LLC, a Delaware limited liability
company

By: _____
Its: Manager

APPROVED AS TO FORM AND LEGALITY:

KENNETH R. CAMPOS

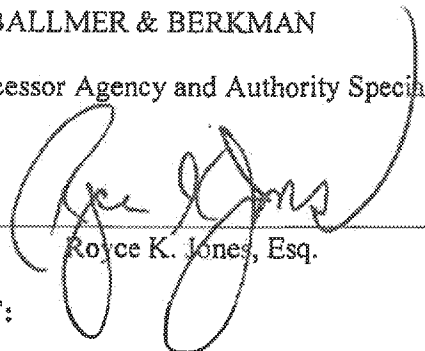
City Attorney/Successor Agency and Authority
General Counsel

By: 
Kenneth R. Campos, Esq.

APPROVED:

KANE, BALLMER & BERKMAN

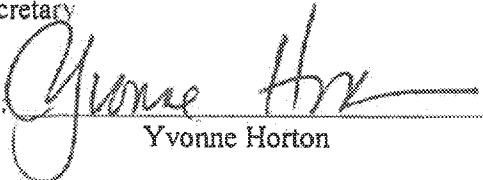
City/Successor Agency and Authority Special
Counsel

By: 
Royce K. Jones, Esq.

ATTEST:

YVONNE HORTON

City Clerk/Successor Agency and Authority
Secretary

By: 
Yvonne Horton

