COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CA 90012
TELEPHONE: (213) 974-2101 FAX: (213) 626-1812

MARK J. SALADINO
TREASURER AND TAX COLLECTOR

February 13, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

ADOPTION OF THE LEASE TERMINATION AGREEMENT FOR THE LAC/USC MEDICAL CENTER GRADUATE HALL, LOS VERDES GOLF COURSE AND LOS AMIGOS GOLF COURSE PROPERTIES IN CONNECTION WITH THE TAX-EXEMPT COMMERCIAL PAPER PROGRAM FIRST AND FOURTH DISTRICTS (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the Lease Termination Agreement providing for the reconveyance of the LAC/USC Medical Center Graduate Hall, Los Verdes Golf Course and Los Amigos Golf Course properties and instruct the Chairman to sign.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In December 2003, your Board authorized the release of LAC/USC Medical Center Graduate Hall, Los Verdes Golf Course and Los Amigos Golf Course (Sites) that had, along with other County properties as described in Attachment I, provided security for the existing Tax-Exempt Commercial Paper Program (Program). The legal documents were amended on March 31, 2003 to reflect the release of the Sites from the Program, as well as the addition of new properties to the Program. As a result, the Sites were effectively released of any obligation under the Program. Los Angeles County Capital Asset Leasing Corporation (LAC-CAL) adopted the attached Lease Termination Agreement (Attachment II) on January 27, 2004 acknowledging the release of the Sites back to the County.

To complete the administrative process of reconveying the properties, we are requesting your Board to execute the attached Lease Termination Agreement for the LAC/USC Medical Center Graduate Hall, Los Verdes Golf Course and Los Amigos Golf Course properties. Once executed, the Lease Termination Agreement will be filed

with the Registrar-Recorder and will provide official documentation that these Sites are free of obligation.

Implementation of Strategic Plan Goals

This action supports the Strategic Plan Goal of Organizational Effectiveness through collaborative actions among County departments and County entities.

FISCAL IMPACT / FINANCING

None.

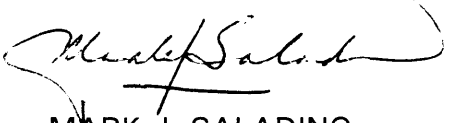
FACTS AND PROVISIONS / LEGAL REQUIREMENTS

County Counsel has approved the attached Lease Termination Agreement as to form.

CONCLUSION

Upon approval, the Department will need two (2) stamped copies of the adopted Board Letter and one (1) originally executed copy of the adopted Lease Termination Agreement.

Respectfully Submitted,



MARK J. SALADINO
Treasurer and Tax Collector

MJS:DL:GB:TG
tg: Bd Ltr – Lease Term Agmt – Grad Hall, Golf Courses.doc

Attachments

c: Chief Administrative Officer
County Counsel
Auditor-Controller

Attachment I

LIST OF PROPERTIES

The following is the original list of properties that provided security for the Tax-Exempt Commercial Paper Program as established:

1. Hall of Records
2. Le Sage Complex
3. Adams & Grand
4. DPSS-Exposition Park
5. Patriotic Hall
6. Health Services Administration Bldg.
7. Hubert Humphrey Health Center
8. Central Health Center
9. ***LAC/USC Medical Center Graduate Hall ****
10. Norwalk Courthouse
11. Van Nuys Superior Court
12. Santa Monica Courthouse
13. Citrus Municipal Court
14. Los Cerritos Municipal Court
15. Glendale Courthouse
16. Whittier Courthouse
17. San Pedro Municipal Court
18. First Street Parking Lots
    - Lot 17
    - Lot 26
19. ***Los Verdes Golf Course ****
20. ***Los Amigos Golf Course ****

** Sites to be reconveyed.*

Attachment II

LEASE TERMINATION AGREEMENT

for

LAC/USC Medical Center Graduate Hall

Los Verdes Golf Course

Los Amigos Golf Course

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

County of Los Angeles
Treasurer and Tax Collector
Public Finance
500 W. Temple St., Room 437
Los Angeles, CA 90012
Attn.: Betty B. Gobst

(Space Above for Recorder's Use)

NO DOCUMENTARY TRANSFER TAX

This instrument is exempt pursuant to *Revenue and Taxation Code* Section 11928 and *Government Code* Section 27383.

LEASE TERMINATION AGREEMENT

This **LEASE TERMINATION AGREEMENT**, dated as of _____, 2004 (this "Lease Termination Agreement"), is made by and among the COUNTY OF LOS ANGELES, a political subdivision of the State of California (the "County") and the LOS ANGELES COUNTY CAPITAL ASSET LEASING CORPORATION, a nonprofit public benefit corporation, organized and existing under the laws of the State of California (the "Authority").

WHEREAS, the County, as Lessor, and the Authority, as Lessee, entered into a site lease dated as of July 1, 1997 and entitled "Site Lease" (the "Lease"), which was recorded July 2, 1997 as Instrument No. 97-992062 in the Official Records of the County of Los Angeles, State of California, with respect to identified properties including but not limited to the real property identified in the Lease as "LAC/USC Medical Center Graduate Hall", "Los Verdes Golf Course" and "Los Amigos Golf Course" and described in Exhibit A attached hereto (hereinafter, the "Sites"), for the purpose of securing the repayment of the notes of the Authority, as described below; and

WHEREAS, the Lease expressly provides that with respect to the Sites, the Lease will end on the date of termination of the Sublease caused by the substitution of such Sites as provided for in the Sublease, or other circumstances, not relevant here, occur; and

WHEREAS, the County as Lessor and Sublessee and the Corporation as Lessee and Sublessor, entered into a Sublease dated as of July 1, 1997 and entitled "Sublease" (the "Sublease"), which was recorded July 1, 1997 as Instrument No. 97-992063 in the Official Records of the County of Los Angeles, State of California, with respect to identified properties including but not limited to the Sites, for the purpose of securing repayment of notes of the Corporation, as described below; and

WHEREAS, the interests of the Corporation under the Sublease and under the Lease were assigned of record to the Trustee pursuant to a Trust Agreement (the "Agreement") dated July 1, 1997; and

WHEREAS, pursuant to the Agreement the Corporation issued its Lease Revenue Tax-Exempt Commercial Paper Notes in the principal amount of $226,894,000 (the "Notes"), which Notes were payable from amounts received by the Trustee, as assignee of the Corporation under the Sublease, from the County; and

WHEREAS, the Corporation and the County amended the Lease dated as of March 31, 2003 and entitled "First Amendment to Site Lease" (the "Amended Lease"), which was recorded March 31, 2003 as Instrument No. 03-0888552 in the Official Records of the County of Los Angeles, State of California, under which certain real properties were substituted for Components of Properties as defined in the Lease and as set forth in Exhibit B attached hereto; and

WHEREAS, the Corporation and the County amended the Sublease dated as of March 31, 2003 and entitled "First Amendment to Sublease" (the "Amended Sublease"), which was recorded March 31, 2003 as Instrument No. 03-0888553 in the Official Records of the County of Los Angeles, State of California, under which certain real properties were substituted for Components of Properties as defined in the Sublease and as set forth in Exhibit B attached hereto; and

WHEREAS, those Sites substituted with other real properties as described in Exhibit C attached hereto (hereinafter, the "Substituted Sites") shall effectively release the Sites from the leasehold under the Lease and the Sublease; and

WHEREAS, the County and the Corporation recognize and acknowledge that termination of the Lease and Sublease solely as they relate to the Sites, as set forth herein, does not affect other real properties identified in those documents.

NOW, THEREFORE, in consideration of the foregoing the parties hereto agree as follows:

1. The Sublease, and all rights and obligations of the County created thereunder and all rights and obligations of the Corporation created thereunder, relative to the Sites, terminated as of March 31, 2003 (the "Termination Date").

2. In accordance with the terms of the Lease, as of March 31, 2003, the Lease terminated and all rights, title and interest of the Corporation in and to the Sites (as defined in the Lease) are reconveyed to the County without any further action of any kind.

3. The execution of this Lease Termination Agreement shall not be construed as a waiver by either party of their respective rights or remedies accruing with respect to the Lease and the Sublease prior to the Termination Date.

4. As of the date hereof, there exist no breaches or defaults under the Lease and Sublease, and none of the County, the Corporation or the Trustee has any outstanding claims against the other or any other party with respect to the Sublease, specifically as it relates to the Sites.

[Remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed, or caused their duly authorized representatives to execute, this Termination Agreement as of the date first above written.

COUNTY OF LOS ANGELES

By: _____
Chairman, Board of Supervisors
County of Los Angeles

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer-Clerk of
the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By: _____
Deputy County Counsel

LOS ANGELES COUNTY
CAPITAL ASSET LEASING CORPORATION

By: _____
President

ATTEST:

By: _____
Deputy

TG:zu
LeaseTerm for CP 1203

Certificate of the Executive Officer-Clerk
of the Board of Supervisors

On this _____ day of _____, 2004, pursuant to Section 25103 of the *Government Code*, the undersigned, Executive Officer-Clerk of the Board of Supervisors certifies that on this date a copy of this document was delivered to the Chair of the Board of Supervisors of the County of Los Angeles.

VIOLET VARONA-LUKENS,
Executive Officer-Clerk of
the Board of Supervisors

By: _____
Deputy

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

On _____, 2004, before me, _____, a Notary Public of the State of California, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

_____
Notary Public of the State of California

EXHIBIT A

DESCRIPTION OF THE SITES

The following is a description of the property to be reconveyed:

Parcel	Legal Description of Parcel
1. LAC/USC Medical Center Graduate Hall 1200 N. State St. Los Angeles, CA	THAT PORTION OF LOT 1 OF TRACT NO. 9800, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 138, PAGE(S) 36 AND 37, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES: COMMENCING AT THE INTERSECTION OF THE CENTERLINES OF MARENGO STREET AND KINGSTON AVENUE, AS SHOWN ON COUNTY SURVEYOR'S MAP NO. B-2680, ON FILE IN THE OFFICE OF THE DIRECTOR OF PUBLIC WORKS OF SAID COUNTY; THENCE ALONG THE CENTERLINE OF SAID MARENGO STREET, SOUTH 62°23'05" EAST 115.00 FEET; THENCE NORTH 27°36'55" EAST 242 FEET; THENCE SOUTH 62°23'05" EAST 36.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH 62°23'05" EAST 171 FEET; THENCE NORTH 27°36'55" EAST 212.00 FEET; THENCE NORTH 62°23'05" WEST 115 FEET; THENCE NORTH 57°36'55" EAST 98.00 FEET; THENCE NORTH 62°23'05" WEST 59.00 FEET; THENCE SOUTH 27°36'55" WEST 99.00 FEET; THENCE NORTH 62°23'05" WEST 33.00 FEET; THENCE SOUTH 27°36'55" WEST 60.00 FEET; THENCE SOUTH 62°23'05" EAST 35.00 FEET; THENCE SOUTH 27°36'55" WEST 151.00 FEET TO THE TRUE POINT OF BEGINNING.
2. Los Verdes Golf Course 7000 W. Los Verdes Dr. Rancho Palos Verdes, CA 90274	THAT PORTION OF THAT CERTAIN PARCEL OF LAND IN LOTS 48, 77, 78, 84 AND 114, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON LOS ANGELES COUNTY ASSESSOR'S MAP NO. 51, RECORDED IN BOOK 1 PAGE 1 OF ASSESSOR'S MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY, DESCRIBED AS PARCEL A IN DEED TO COUNTY OF LOS ANGELES, RECORDED AS DOCUMENT NO. 1765 ON JANUARY 31, 1958 IN BOOK 56460 PAGE 324, OFFICIAL RECORDS, IN THE OFFICE OF SAID RECORDER. EXCEPTING THEREFROM THAT PORTION THEREOF WITHIN THE FOLLOWING DESCRIBED BOUNDARIES: BEGINNING AT THE EASTERLY TERMINUS OF THAT CERTAIN COURSE DESCRIBED AS HAVING A BEARING AND LENGTH OF SOUTH 85° 24' 03" WEST 564.22 FEET IN THE SOUTHERLY BOUNDARY OF SAID CERTAIN PARCEL OF LAND; THENCE SOUTH 85° 24' 03" WEST ALONG SAID SOUTHERLY BOUNDARY 564.22 FEET TO THE SOUTHEASTERLY BOUNDARY OF SAID CERTAIN PARCEL OF LAND; THENCE SOUTH 59° 39' 53" WEST ALONG SAID SOUTHEASTERLY BOUNDARY 354.48 FEET; THENCE NORTH 30° 20' 07" WEST 136.80 FEET; THENCE NORTH 49° 14' 30" EAST 277.24 FEET; THENCE NORTH 21° 42' 50" EAST 243.26 FEET; THENCE NORTH 17° 44' 16" WEST 311.82 FEET; THENCE NORTH 61° 13' 40" WEST 169.82 FEET TO A LINE PARALLEL WITH AND 80 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES, FROM THAT CERTAIN COURSE DESCRIBED AS HAVING A BEARING AND LENGTH OF NORTH 31° 15' 08" EAST 57.05 FEET IN THE NORTHEASTERLY BOUNDARY OF SAID CERTAIN PARCEL OF LAND; THENCE NORTH 31° 15' 08" EAST ALONG SAID PARALLEL LINE 57.05 FEET; THENCE NORTH 74° 23' 42" EAST 24.81 FEET TO THE NORTHERLY BOUNDARY OF SAID CERTAIN PARCEL OF LAND; THENCE EASTERLY, SOUTHEASTERLY AND SOUTHERLY ALONG THE NORTHERLY, NORTHEASTERLY AND EASTERLY BOUNDARIES OF SAID CERTAIN PARCEL OF LAND TO THE POINT OF BEGINNING.

Parcel	Legal Description of Parcel
Los Verdes Golf Course (cont.)	ALSO EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBONS, OR OTHER MINERALS IN AND UNDER SAID LAND WITHOUT THE RIGHT OF SURFACE ENTRY FOR THE DEVELOPMENT THEREOF, AS EXCEPTED AND RESERVED BY THE COUNTY OF LOS ANGELES, IN DEED RECORDED DECEMBER 24, 1962.
3. Los Amigos Golf Course 7295 Quill Dr. Downey, CA 90242	THAT PORTION OF RANCHO SANTA GERTRUDES, AS SHOWN ON MAP RECORDED IN BOOK 1 PAGES 156, 157 AND 158 OF PATENTS, IN THE OFFICE OF THE RECORDER OF THE COUNTY OF LOS ANGELES, AND THAT PORTION OF MONTELEONE TRACT, AS SHOWN ON THE MAP RECORDED IN BOOK 6 PAGE 53 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ALL IN THE CITY OF DOWNEY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES: BEGINNING AT A POINT IN THE NORTHWESTERLY LINE OF OLD RIVER SCHOOL ROAD, AS DEDICATED BY RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, A CERTIFIED COPY OF WHICH WAS RECORDED IN BOOK 7792 PAGE 128 OF OFFICIAL RECORDS, IN THE OFFICE OF THE SAID RECORDER, DISTANT NORTHEASTERLY THEREON 125.00 FEET FROM A LINE PARALLEL WITH AND 30 FEET NORTHEASTERLY MEASURED AT RIGHT ANGLES, FROM THAT CERTAIN COURSE SHOWN AS HAVING A LENGTH OF 1541.48 FEET IN THE SOUTHWESTERLY BOUNDARY OF SAID MONTELEONE TRACT; THENCE NORTHWESTERLY PARALLEL WITH SAID CERTAIN COURSE 300.00 FEET; THENCE SOUTHWESTERLY PARALLEL WITH SAID NORTHWESTERLY LINE 125.00 FEET TO SAID PARALLEL LINE; THENCE NORTH 58° 44' 05" WEST ALONG SAID PARALLEL LINE 812.72 FEET TO A LINE PARALLEL WITH AND 50 FEET SOUTHEASTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF ENTRANCE DRIVE, AS SAID CENTER LINE IS SHOWN ON COUNTY SURVEYOR'S MAP NO. B 1035, ON FILE IN THE OFFICE OF THE ENGINEER OF THE COUNTY OF LOS ANGELES; THENCE NORTHEASTERLY ALONG SAID LAST MENTIONED PARALLEL LINE TO A LINE PARALLEL WITH AND 1320.03 FEET SOUTHWESTERLY, MEASURED AT RIGHT ANGLES, FROM THE SOUTHWESTERLY LINE OF HELENE LAVENTHAL PROPERTY, AS SHOWN ON MAP RECORDED IN BOOK 12 PAGE 96 OF SAID MAPS; THENCE NORTHWESTERLY ALONG SAID LAST MENTIONED PARALLEL LINE, TO THE NORTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED FIRST IN DEED TO COUNTY OF LOS ANGELES, RECORDED IN BOOK 1379 PAGE 292 OF DEEDS, IN THE OFFICE OF SAID RECORDER; THENCE NORTHEASTERLY ALONG SAID LAST MENTIONED NORTHWESTERLY LINE TO THE NORTHEASTERLY LINE OF SAID CERTAIN PARCEL OF LAND; THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE TO THE NORTHWESTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED FIRST IN DEED TO DOWNEY UNION HIGH SCHOOL DISTRICT OF LOS ANGELES COUNTY, RECORDED AS DOCUMENT NO. 2625, ON DECEMBER 17, 1954, IN BOOK 46410 PAGE 242 OF SAID OFFICIAL RECORDS; THENCE SOUTHWESTERLY AND SOUTHEASTERLY ALONG THE NORTHWESTERLY AND SOUTHWESTERLY BOUNDARIES OF SAID LAST MENTIONED CERTAIN PARCEL OF LAND TO SAID NORTHWESTERLY LINE OF OLD RIVER SCHOOL ROAD; THENCE SOUTHWESTERLY ALONG SAID LAST MENTIONED NORTHWESTERLY LINE TO THE POINT OF BEGINNING. EXCEPT THAT PORTION OF SAID LAND LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF MONTELEONE TRACT AS SHOWN ON THE MAP RECORDED IN BOOK 6 PAGE 53 OF MAPS.

EXHIBIT B

COMPONENTS OF PROPERTIES

The following is a list of properties which constitute the Components of Properties under the Tax-Exempt Commercial Paper Program as originally established:

1. Hall of Records
2. Le Sage Complex
3. Adams & Grand
4. DPSS-Exposition Park
5. Patriotic Hall
6. Health Services Administration Bldg.
7. Hubert Humphrey Health Center
8. Central Health Center
9. ***LAC/USC Graduate Hall ****
10. Norwalk Courthouse
11. Van Nuys Superior Court
12. Santa Monica Courthouse
13. Citrus Municipal Court
14. Los Cerritos Municipal Court
15. Glendale Courthouse
16. Whittier Courthouse
17. San Pedro Municipal Court
18. First Street Parking Lots
    - Lot 17
    - Lot 26
19. ***Los Verdes Golf Course ****
20. ***Los Amigos Golf Course ****

* *Property previously substituted and to be reconveyed.*

EXHIBIT C

DESCRIPTION OF SUBSTITUTED SITES

The following is a description of the Substituted Sites that were substituted in the place of the properties to be reconveyed:

Parcel	Legal Description of Parcel
1. County Courthouse 111 North Hill Street Los Angeles, CA 90012	PARCEL 20, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON LOS ANGELES COUNTY ASSESSOR'S MAPS NO. 94, FILED IN BOOK 1, PAGES 77 TO 80 INCLUSIVE, OF ASSESSOR'S MAPS, IN THE OFFICE OF THE REGISTRAR-RECORDER OF SAID COUNTY.
2. Compton Courthouse 200 W. Compton Boulevard Compton, CA 90220	THAT PORTION OF TOWN OF COMPTON, AND THOSE PORTIONS OF PALM STREET, ALMOND STREET AND LAUREL STREET, VACATED, IN THE CITY OF COMPTON, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 11, PAGE(S) 68 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEASTERLY CORNER OF LOT 4, BLOCK 2, SAID TOWN OF COMPTON; THENCE SOUTHERLY IN A DIRECT LINE TO THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 6, SAID TOWN OF COMPTON; THENCE SOUTHERLY IN A DIRECT LINE TO THE SOUTHEASTERLY CORNER OF LOT 10, SAID LAST MENTIONED BLOCK; THENCE SOUTHERLY IN A DIRECT LINE TO THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 10, SAID TOWN OF COMPTON; THENCE SOUTHERLY IN A DIRECT LINE TO THE SOUTHEASTERLY CORNER OF LOT 10, SAID LAST MENTIONED BLOCK; THENCE SOUTHERLY IN A DIRECT LINE TO THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 14, SAID TOWN OF COMPTON; THENCE SOUTHERLY IN A DIRECT LINE TO THE INTERSECTION OF THE EASTERLY LINE OF LOT 10, SAID LAST MENTIONED BLOCK, WITH THE NORTHERLY LINE OF THE SOUTHERLY 37 FEET OF SAID LAST MENTIONED LOT; THENCE WESTERLY ALONG SAID NORTHERLY LINE TO THE WESTERLY LINE OF THE EASTERLY 36 FEET OF SAID LAST MENTIONED LOT; THENCE SOUTHWESTERLY IN A DIRECT LINE TO THE INTERSECTION OF THE WESTERLY LINE OF THE EASTERLY 61 FEET OF SAID LAST MENTIONED LOT WITH THE NORTHERLY LINE OF THE SOUTHERLY 20 FEET OF SAID LAST MENTIONED LOT; THENCE WESTERLY ALONG SAID LAST MENTIONED NORTHERLY LINE AND ITS WESTERLY PROLONGATION TO A POINT DISTANT EASTERLY THEREON 25.00 FEET FROM THE EASTERLY LINE OF THE WESTERLY 15 FEET OF LOT 7, SAID LAST MENTIONED BLOCK; THENCE NORTHWESTERLY IN A DIRECT LINE TO A POINT IN SAID LAST MENTIONED EASTERLY LINE DISTANT NORTHERLY THEREON 25.00 FEET FROM SAID WESTERLY PROLONGATION; THENCE NORTHERLY ALONG SAID LAST MENTIONED EASTERLY LINE AND ITS NORTHERLY PROLONGATION TO THE NORTHERLY LINE OF LOT 1, SAID LAST MENTIONED BLOCK; THENCE NORTHERLY IN A DIRECT LINE TO THE INTERSECTION OF THE SOUTHERLY LINE OF LOT 7, SAID BLOCK 10, WITH THE EASTERLY LINE OF THE WESTERLY 15 FEET OF SAID LAST MENTIONED LOT; THENCE NORTHERLY ALONG SAID LAST MENTIONED EASTERLY LINE AND ITS NORTHERLY PROLONGATION TO THE NORTHERLY LINE OF LOT 1, SAID LAST MENTIONED BLOCK; THENCE NORTHERLY IN A DIRECT LINE TO THE INTERSECTION OF THE SOUTHERLY LINE OF LOT 7, SAID BLOCK 6, WITH THE EASTERLY LINE OF THE WESTERLY 15 FEET OF SAID LAST MENTIONED LOT; THENCE NORTHERLY ALONG SAID LAST MENTIONED EASTERLY LINE AND ITS NORTHERLY PROLONGATION TO THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE OF SOUTH 0° 48' 37" WEST 172.74 FEET IN THE EASTERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED AS PART B IN DEED TO CITY OF COMPTON, FOR ACACIA AVENUE, RECORDED AS DOCUMENT NO. 4889, ON FEBRUARY 13, 1974 IN BOOK D-6169 PAGE 59, OF OFFICIAL RECORDS, IN THE OFFICE OF SAID RECORDER; THENCE NORTHERLY ALONG SAID SOUTHERLY PROLONGATION TO THE SOUTHERLY LINE OF LOT 1, SAID BLOCK 2; THENCE EASTERLY IN A DIRECT LINE TO THE POINT OF BEGINNING

Parcel	Legal Description of Parcel
Compton Courthouse (cont.)	EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF THE WEST ONE-HALF OF LOT 3 IN BLOCK 10 OF SAID TOWN OF COMPTON, ALL OIL, GAS AND MINERALS LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE WITHOUT THE RIGHT OF SURFACE ENTRY, AS EXCEPTED BY ALBERT G. RUHL AND ELAINE J. RUHL, HUSBAND AND WIFE, AND LEON B. KENZY AND MARGARET J. KENZY, HUSBAND AND WIFE, IN DEED RECORDED JULY 10, 1967 AS INSTRUMENT NO. 978, IN BOOK D-3697 PAGE 226, OFFICIAL RECORDS. ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF THE EAST ONE-HALF OF LOT 3 IN BLOCK 10 OF SAID TOWN OF COMPTON, ALL OIL, GAS AND MINERAL RIGHTS BELOW A DEPTH OF 500 FEET BENEATH THE SURFACE OF SAID LAND, BUT WITHOUT RIGHT OF ENTRY UPON THE SURFACE OR THE FIRST 500 FEET OF SAID LAND, AS RESERVED BY ALBERT G. RUHL AND ELAINE J. RUHL, HUSBAND AND WIFE, BY DEED RECORDED FEBRUARY 10, 1971 AS INSTRUMENT NO. 123. ALSO EXCEPT FROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF LOTS 1 TO 4 INCLUSIVE AND 7 TO 10 INCLUSIVE, BLOCK 14 OF SAID TOWN OF COMPTON, ALL OF THE OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER THE ABOVE DESCRIBED REALTY PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED IN THE FOLLOWING INSTRUMENT: 1. INSTRUMENT NO. 65 RECORDED APRIL 17, 1974, IN BOOK D-6256 PAGE 878, OFFICIAL RECORDS, AS TO THE SOUTH 50 FEET OF LOT 1 AND THE SOUTH 58 FEET OF THE WEST ONE-HALF OF LOT 2. 2. INSTRUMENT NO. 164 RECORDED APRIL 12, 1974 IN BOOK D-6232 PAGE 232, OFFICIAL RECORDS, AS TO THE EAST ONE-HALF OF LOT 2. 3. INSTRUMENT NO. 34 RECORDED MARCH 18, 1974 IN BOOK D-6202 PAGE 141, OFFICIAL RECORDS, AS TO THE WEST ONE-HALF OF LOT 2, EXCEPT THE SOUTHERLY 50 FEET. 4. INSTRUMENT NO. 209 RECORDED MARCH 15, 1974 IN BOOK D-6200 PAGE 245, OFFICIAL RECORDS AS TO THE WEST ONE-HALF OF LOT 3. 5. INSTRUMENT NO. 124 RECORDED MARCH 28, 1974 IN BOOK D-6214 PAGE 449, OFFICIAL RECORDS, AS TO THE EAST 50 FEET OF LOT 4. 6. INSTRUMENT NO. 223 RECORDED JUNE 5, 1974 IN BOOK D-6295 PAGE 775, OFFICIAL RECORDS, AS TO THE WEST ONE-HALF OF LOT 4. 7. INSTRUMENT NO. 62 RECORDED JUNE 28, 1974 IN BOOK D-6325 PAGE 712, OFFICIAL RECORDS, AS TO LOT 7, EXCEPT THE SOUTH 120 FEET. 8. INSTRUMENT NO. 40 RECORDED MARCH 28, 1974 IN BOOK D-6214 PAGE 409, OFFICIAL RECORDS, AS THE SOUTHERLY 120 FEET OF LOT 7. 9. INSTRUMENT NO. 35 RECORDED JUNE 17, 1974 IN BOOK D-6311 PAGE 114, OFFICIAL RECORDS, AS TO LOT 8, EXCEPT THE EAST HALF. 10. INSTRUMENT NO. 62 RECORDED MAY 6, 1974 IN BOOK D-6260 PAGE 540, OFFICIAL RECORDS, AS TO THE EAST 50 FEET OF LOT 8 AND THE WESTERLY ONE-HALF OF LOT 9. 11. INSTRUMENT NO. 501 RECORDED APRIL 22, 1974 IN BOOK D-6242 PAGE 672, OFFICIAL RECORDS. 12. INSTRUMENT NO. 59 RECORDED MAY 6, 1974 IN BOOK D-6260 PAGE 449, OFFICIAL RECORDS, AS TO THE EASTERLY HALF OF LOT 10.

Parcel	Legal Description of Parcel
Compton Courthouse (cont.)	ALSO EXCEPT THEREFROM ALL OIL, COAL, GAS, AND OTHER HYDROCARBON SUBSTANCES BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF, BUT WITHOUT THE RIGHT TO ENTER UPON THE SURFACE THEREOF TO REMOVE OR RECOVER SAID SUBSTANCES, AS RESERVED BY GREAT WESTERN SAVINGS AND LOAN ASSOCIATION SUCCESSOR IN INTEREST TO EQUITABLE SAVINGS AND LOAN ASSOCIATION, A CORPORATION IN THE DEED RECORDED DECEMBER 31, 1970, IN BOOK D-4932 PAGE 1, OFFICIAL RECORDS, AS TO LOT 1, EXCEPT THE SOUTHERLY 50 FEET THEREOF. ALSO FURTHER EXCEPT THEREFROM ALL OIL AND GAS IN AND UNDER SAID LAND AS CONVEYED TO J.E. MAXFIELD BY INSTRUMENT RECORDED MARCH 14, 1936 IN BOOK 14052 PAGE 59, OFFICIAL RECORDS, WITHOUT, HOWEVER ANY RIGHT TO ENTER THROUGH SURFACE, AS TO THE EAST 50 FEET OF LOT 3. ALSO EXCEPT THEREFROM ALL OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SUCH PROPERTY, GRANTOR, ITS SUCCESSORS AND ASSIGNS, RETAINING THE EXCLUSIVE TITLE AND RIGHT TO REMOVE SAID SUBSTANCES, TOGETHER WITH THE SOLE RIGHT TO NEGOTIATE AND CONCLUDE LEASES AND AGREEMENTS WITH RESPECT TO ALL SUCH SUBSTANCES, UNDER THE PROPERTY, AND TO USE THOSE PORTIONS OF THE PROPERTY WHICH UNDERLIES A PLANE PARALLEL TO AND 500 FEET BELOW THE PRESENT SURFACE OF THE PROPERTY FOR THE PURPOSE OF PROSPECTING FOR, DEVELOPING, STORING AND/OR EXTRACTING SUCH SUBSTANCES FROM THE PROPERTY, IT BEING EXPRESSLY UNDERSTOOD AND AGREED THAT GRANTOR, ITS SUCCESSORS AND ASSIGNS SHALL HAVE NO RIGHT TO ENTER UPON THE SURFACE OF THE PROPERTY OR TO USE THE PROPERTY OR ANY PORTION THEREOF ABOVE THE LEVEL OF THE AFORESAID PLANE, AS RESERVED BY COMMUNITY SAVINGS AND LOAN ASSOCIATION, A CALIFORNIA CORPORATION, BY DEED DATED JULY 23, 1969, RECORDED JULY 31, 1969, AS TO THE WESTERLY HALF OF LOT 10.