

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Agreement”) is entered into on _____ (“Effective Date”) by and between AG-SCH 8150 Sunset Boulevard Owner, L.P (“8150 Sunset”), a Delaware Limited Partnership, on the one hand, and Fix the City, Inc. (“FTC”), a non-profit corporation, on the other hand (collectively, the “**Parties**” and either one a “**Party**”) with reference to the following facts:

A. In November 2016, 8150 Sunset received approvals from the City of Los Angeles (the “Project approvals”) to construct a mixed-use development project located at 8150 Sunset Boulevard, Los Angeles, California (the “Project”). The Project consists of approximately 333,903 square feet of commercial and residential development, containing 229 residential units and 65,000 square feet of commercial space.

B. FTC filed a Petition for Writ of Mandate on December 1, 2016 challenging the Project Approvals. Judgment was entered, granting the Petition for Writ of Mandate in part, on July 21, 2017.

C. 8150 Sunset, FTC, and the City of Los Angeles all appealed the judgment, which was reversed in part by the Court of Appeal on March 23, 2018. The Court of Appeal ordered that a different Writ of Mandate issue, directing the City of Los Angeles to hold proceedings for the vacation of a public street. Remittitur issued on June 6, 2018.

D. 8150 Sunset has worked with FTC to address FTC’s specific concerns regarding public safety and emergency access.

E. 8150 Sunset and FTC have resolved all of their differences with respect to FTC’s concerns regarding the Project.

F. The Parties desire by this Settlement Agreement to avoid any other future disputes with regard to the Project.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and promises of the Parties herein contained, the Parties agree as follows:

1. 8150 Sunset Obligations.

1.1. Public Safety Assurance.

1.1.1. Automatic External Defibrillator: 8150 Sunset shall include, as a part of its retail leases, a requirement that all retail tenants/lessees provide on their individual premises an Automated External Defibrillator (“AED”) in a location and manner consistent with the requirements of California Health and Safety Code § 1797.196.

1.1.2. If the Project provides a “front desk” or centralized lobby for its residential components, this area shall be equipped with an AED located and provided in a manner consistent with the requirements of California Health and Safety Code § 1797.196.

1.1.3. In-Sidewalk Pedestrian Safety Traffic Signals: 8150 Sunset shall work with the City of Los Angeles to obtain approval to install, at the signalized intersections adjacent to the Project, in-sidewalk pedestrian safety traffic signals. An example of such safety devices can be found at (https://hig.nl/file/597/VRI_Streetline_A4_folder_LR.pdf). If 8150 Sunset is ultimately not able to install the above, or a similar product, for any reason by the time the Certificate of Occupancy issues, 8150 Sunset shall pay an additional \$50,000 to Friends of West Los Angeles (“FOWLA”) for expenditures on local police, fire and public safety improvements within 30 days of the issuance of the Certificate of Occupancy.

1.1.4. Funding for Improved Fire Protection Services. Within five (5) days of the Effective Date, 8150 Sunset shall provide to FOWLA, a 501(c)(3) nonprofit corporation, a check for \$4,000 for future distribution to Los Angeles Fire Department Station 41. FOWLA will work with the captains at Los Angeles Fire Department Station 41 to determine the station’s needs. 8150 Sunset may, at its discretion, attend any events held by FOWLA to distribute these funds to Station 41. This Agreement creates no obligation on FOWLA beyond distributing the funds as outlined in this paragraph.

1.2. Legal and Expert Fees and Costs.

1.2.1. Within fourteen (14) business days after execution of this Agreement, 8150 Sunset shall pay to Strumwasser & Woocher Client Trust Account, in certified funds or by wire transfer, the sum of [REDACTED] to cover legal and expert fees and costs incurred by FTC in connection with this matter. Payment of this amount shall be in full and final settlement of all claims for fees and costs incurred by FTC in connection with this Agreement and the subject matter set forth herein, except in the case of breach of this Agreement.

2. FTC’s Obligations.

2.1. Attorneys’ Fees and Costs. Any motion for attorneys’ fees and costs filed by FTC after the Effective Date shall invalidate this Agreement in its entirety. Within 5 days of receipt of the payment specified in paragraph 1.2.1, FTC shall provide to 8150 Sunset a Satisfaction of Judgment.

2.2. Non-Opposition. FTC and its Officers and Directors shall not directly or indirectly oppose or delay construction of the Project, or the issuance of any entitlements necessary for the construction of the Project, including, but not limited to, new entitlements issued as a result of the street vacation proceeding and any amended or reinstated permits, approvals or entitlements for the Project or a substantially similar development, which may include a development that preserves the intersection of Sunset Boulevard and Crescent Heights as currently configured. Excepting only as to FTC’s rights to enforce this Agreement, FTC and its Officers and Directors shall not (i) file, commence, maintain, support or finance any lawsuits

challenging the Project or any future approvals issued in furtherance of the Project, (ii) appeal, challenge or contest administratively any decision or approval granted or made, or action taken, by the City or any other governmental agency with respect to the Project or in furtherance of the Project, including any street vacation approvals, or (iii) file any protest, submit any further negative comments, or advocate in any forum, including before any court, board, agency, commission department, elected or appointed government official, or in any electronic or print media of any type, to challenge, oppose or delay the approval, development, construction or operation of the Project or compliance with the writ by the City of Los Angeles. FTC and its Officers and Directors shall not intentionally or knowingly encourage or support any other person or entity to do any of the foregoing, or otherwise intentionally or knowingly take any action which would delay, hinder, or otherwise impede the construction or operation of the Project.

3. Mutual Release of Claims. In consideration of the promises and covenants contained in this Agreement and after consultation with counsel and without in any way affecting the executory obligations required under this Agreement, the Parties irrevocably and unconditionally release and forever discharge each other, as well as their respective past and present related or affiliated entities and past and present officers, employees, attorneys, partners, members, investors, trustees, insurers, joint venturers, and agents and each of them, from any and all causes of action, claims, actions, rights, judgments, obligations, damages, demands, accountings, or liabilities of whatever kind or character, known or unknown, which the Parties have or may have against the other and their respective past and present related or affiliated entities and past and present officers, employees, attorneys, partners, members, investors, trustees, insurers, joint venturers, and agents, and any and all matters of whatever kind, nature, or description, whether known or unknown, occurring prior to the date of the execution of this Agreement. Nothing contained herein shall release, waive, or in any way compromise a Party's right to enforce this Agreement. The Parties hereby expressly waive and relinquish all rights and benefits afforded by California Civil Code Section 1542 and do so understanding and acknowledging the significance and consequences of such waiver. The Parties acknowledge and understand that they are being represented in this matter by counsel, and acknowledge that they are familiar with the provisions of California Civil Code Section 1542, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Notwithstanding the provisions of Section 1542, the Parties expressly acknowledge and agree that this paragraph is also intended to include in its effect, without limitation, all such claims which FTC does not know or suspect to exist at the time of the execution of this Agreement, and that this Agreement contemplates the extinguishment of those claims. FTC acknowledges and agrees that it may later discover facts different from or in addition to those it now knows or believes to be true in entering into this Agreement. FTC agrees to assume the risk of the possible

discovery of additional or different facts and agrees that this Agreement shall remain effective regardless of such additional or different facts.

Acknowledgement by FTC (initials to be inserted here): _____

Acknowledgement by 8150 Sunset (initials to be inserted here): _____

4. Representations and Warranties.

4.1. Other than the litigation described above, FTC has not undertaken, asserted, filed or made any challenges or claims against the 8150 Sunset or the Project.

4.1.1. Each of the Parties represents, warrants, and agrees as to itself (“Such Party”) as follows:

4.1.1.1. Such Party has received independent legal advice from its attorneys with respect to the advisability of making the settlement provided for herein, and with respect to the advisability of executing this Agreement.

4.1.1.2. No other Party (nor any director, officer, member, manager, partner, trustee, agent, employee, representative or attorney of or for any other Party) has made any statement or representation to Such Party regarding any fact Such Party relied upon in entering into this Agreement, and Such Party is not relying on any statement, representation or promise, written or oral, of any other Party (or of any director, officer, member, manager, partner, trustee, agent, employee, representative or attorney for any other Party) in executing this Agreement, or in making the settlement provided for herein, except as otherwise expressly stated in this Agreement.

4.1.1.3. Such Party has made such investigation of the facts pertaining to the settlement in this Agreement and of all the matters pertaining thereto as it deems necessary.

4.1.1.4. Such Party or responsible director, officer, member, manager, partner, trustee or attorney thereof has read this Agreement and understands the contents hereof. Each officer, member, manager, partner, trustee, or attorney executing this Agreement on behalf of Such Party is empowered to do so and thereby bind Such Party.

4.1.1.5. Such Party shall take such further actions and execute all such further and additional documents as shall be reasonable or necessary to carry out the provisions of this Agreement.

5. Joint Public Statement. FTC shall draft and the Parties shall agree upon a statement regarding the Project and the Agreement (“Joint Statement”) as shown in Exhibit A. No Party to this Agreement, nor any person or entity controlled by such Party, shall make any statements to the press or public inconsistent with the Joint Statement.

6. Confidentiality. The Parties acknowledge the confidential nature of the amount of legal fees provided in Section 1.2 of this Agreement and all of the negotiations in connection with this agreement, and agree and covenant not to disclose or disseminate, unless compelled by court order or legal obligation, the amount of the payment for legal fees in Section 1.2. This information may be disclosed to 8150 Sunset, to its legal counsel, accountants, investors, lenders, officers, employees, political consultants, or for other general business purposes. All other terms of this Agreement are not considered confidential.

7. Enforcement and Remedies. The Parties shall have the right, in addition to all other remedies available to each Party at law or in equity, to enforce their respective rights under this Agreement by filing an action in Los Angeles Superior Court for declaratory relief, specific performance, or injunctive relief. The Parties acknowledge and agree that monetary damages would not be an adequate remedy in the event of a breach of this Agreement by either Party and that, therefore, the equitable remedies of specific performance and/or injunctive relief are appropriate under this Agreement. In any action to enforce this Agreement, the prevailing Party is entitled to reasonable attorneys' fees and costs.

8. Dispute Resolution. Any dispute arising between FTC and 8150 Sunset out of or relating to this Agreement, or the interpretation or performance of it, shall be resolved as follows: Notwithstanding Section 6 above, the Parties shall first submit the dispute to a mediator reasonably agreed upon by the Parties, and if the Parties cannot agree upon such a mediator within ten (10) days of one Party notifying the other of a dispute, then at the request of either Party the mediator shall be a retired judge chosen by JAMS. The Parties shall share the mediator's fee and any filing fees equally.

9. Notices. Any notices, demands or other communications given hereunder shall be in writing and shall be deemed delivered or received upon personal delivery, or one (1) business day after deposit with overnight courier, three (3) days after they are mailed with postage prepaid, by registered or certified mail, return receipt requested to the Party receiving such notice as follows, unless a Party notifies the other Party of a different address, or four (4) via email to each of the email addresses shown below:

If to 8150 Sunset: Tyler Siegel
AG-SCH 8150 Sunset Boulevard Owner, LP
2000 Avenue of the Stars, Suite 1020
Los Angeles, CA 90067
tsiegel@townscapepartners.com

With a copies to: Jill Yung
Paul Hastings LLP
101 California Street, 48th Floor
San Francisco, CA 94111
jillyung@paulhastings.com

If to FTC: Michael Eveloff
Fix the City
10940 Wilshire Boulevard, Suite 2000
Los Angeles, CA 90024
Legal@FixTheCity.Org

With a copy to: Beverly Grossman Palmer
Strumwasser & Woocher LLP
10940 Wilshire Boulevard, Suite 2000
Los Angeles, CA 90024
bpalmer@strumwooch.com

10. Miscellaneous.

10.1. No Admissions. Nothing contained herein shall be construed as an admission by any Party hereto of any liability of any kind to any other Party. Each of the Parties denies any liability in connection with the matters set forth herein and intends merely to resolve any outstanding disagreements or disputes.

10.2. The Parties shall execute, acknowledge, deliver, file and record all such further and additional instruments and documents and do all such other acts and things as may be required by law and as shall be reasonable, convenient, necessary or desirable to carry out the provisions of this Agreement.

10.3. Each individual signing this Agreement represents that he or she has the authority to bind the Party on whose behalf he or she is signing.

10.4. The Parties represent that they have been represented by, or had the opportunity of consult with, independent counsel of their own choosing in connection with the execution of this Agreement.

10.5. This Agreement contains the entire agreement and understanding between the Parties, and supersedes all prior and contemporaneous agreements, concerning the subject matter.

10.6. In the event of any breach of this Agreement, the non-breaching party shall be entitled solely to the remedies set forth in Section 10 herein.

10.7. This Agreement shall be binding on the Parties and their respective successors and assigns, including without limitation any entity that will operate the Project, its retail or residential components, or other similar entity utilizing the Project Approvals at any time in the future. 8150 Sunset shall have the obligation to notify its successors and assigns of its obligations under this Agreement.

10.8. This Agreement may be amended only in a writing signed by the Parties. This Agreement shall be governed by California law.

10.9. This Agreement may be executed in multiple counterparts and by facsimile or email.

10.10. The recitals and all exhibits referred to in this Agreement are incorporated herein by reference. Paragraph headings are for reference purposes only and shall not be used for limiting or interpreting the meaning of any Section or paragraph.

10.11. No waiver by a Party of any default of the other Party or of any event, circumstance or condition shall constitute a waiver of any other default of the other Party or of any other such event, circumstance or condition. No failure or delay by a Party to exercise any right by reason of the other Party's default shall prevent the exercise by the other Party of such right while the defaulting Party continues to be in default, and no waiver of a default shall operate as a waiver of any other default or as a modification of this Agreement.

The Parties have executed this Agreement as of the day and year first above written.

"8150 Sunset"

AG-SCH 8150 Sunset Owner LP,
a Delaware limited liability partnership

By: _____

Name: _____

Title: _____

Approved as to form by Counsel to 8150 Sunset

By _____

Jill Yung

Paul Hastings, LLP

September __, 2018

"FTC"

Fix the City

By: _____

Name: _____

Title: _____

Approved as to form by Counsel to FTC

By _____

Beverly Grossman Palmer

Strumwasser & Wocher LLP

September __, 2018

Exhibit A – Joint Public Statement

Following Fix the City's victory in the appellate court requiring the City of LA to conduct a street vacation hearing before reconfiguring the intersection of Sunset Blvd and Crescent Heights, FTC and Townscape Partners are pleased to announce that we have resolved the remainder of the outstanding issues regarding the 8150 Sunset Blvd project. FTC is hopeful that this victory establishes the need for a proper street vacation process, including required hearings, throughout the city.

As a result of the court's ruling directing the City of LA to conduct the vacation hearing, FTC has agreed not to raise any further objections to the project or street vacation. FTC continues to support the enhancement of intersections to achieve the highest level of pedestrian safety and facilitate the least amount of vehicle congestion possible.

FTC wishes to thank Townscape Partners for their willingness and enthusiasm to embrace FTC's public safety concerns by supporting the first-in fire station, installing enhanced pedestrian safety devices and requiring that AEDs be present throughout the project.

As is its practice, FTC neither asked for nor will receive any direct or indirect benefit from the settlement beyond its legal fees.

About Fix The City

Fix The City is an all-volunteer, non-profit corporation focused on fixing the city by facilitating neighborhood improvements and neighborhood protection; supporting local infrastructure; improving the transparency and efficiency of local government; challenging harmful governmental policies and practices; and advocating for other improvements to the environment. Fix The City can be found on the web at www.fixthecity.org and followed on twitter @FixTheCityLA. Inquiries can be sent to info@fixthecity.org.

About 8150 Sunset

Frank Gehry's mixed-use project at 8150 Sunset was unanimously approved by the Los Angeles City Council in 2016. The project includes 229 total residential units, 15% of which will be set aside as rent-restricted affordable housing, and a total of 65,000 square feet of commercial space. One of the largest contiguous parcels along the Sunset Strip, 8150 Sunset sits at the eastern gateway to the Strip and along Crescent Heights/Laurel Canyon in the City of Los Angeles. The property was home to the Garden of Allah, a favorite hotel and destination for celebrities, before it was torn down in 1960 and replaced with Lytton Savings.

About Townscape Partners

Townscape Partners is a real estate investment firm focused on owning, operating and developing landmark Los Angeles properties. Formed in 2012, Townscape's investment strategies and business activities are led by Tyler Siegel and John Irwin. Townscape Partners can be found on the web at www.townscapepartners.com.