

GROUND LEASE AGREEMENT

THIS LEASE made this 7th day of April, 1969,

by and between Downey Unified School District, a California Public School (hereinafter referred to as "Lessor") and

Atlantic Medical Laboratories, Inc. and Stanley Diller

(hereinafter referred to as "Lessee").

WITNESSETH

FOR AND IN CONSIDERATION of the mutual covenants and agreements herein contained, Lessor does hereby lease, let and demise to Lessee, and Lessee does hereby take and rent from Lessor, those certain premises bounded by Iowa Street on the north, Davis Street on the south, Brookshire Avenue on the east, and Dolan Street on the west, situated in the City of Downey, County of Los Angeles, State of California (hereinafter referred to as the "Leased Premises"), as more particularly described on Exhibit A attached hereto and by this reference made a part hereof.

TO HAVE AND TO HOLD the Leased Premises for the term and at the rental hereinafter provided and upon the conditions and agreements hereinafter set forth.

ARTICLE 1 - TERM

This lease shall be for a term of fifty-five (55) years (The "Term") commencing on the first day of January, 1970 and expiring on the thirty-first day of December, 2024.

ARTICLE 2 - RENTAL

Lessee agrees to pay to Lessor the following minimum amounts of rent annually:

During first five years of lease	\$ 26,750.00 per year
During second five years of lease	\$ 33,170.00 per year
During third five years of lease	\$ 41,730.00 per year
During fourth five years of lease	\$ 51,360.00 per year

The total sum due for the first five year period in the amount of \$ 133,750.00 is payable in advance as follows: \$15,000 payable at the time of the execution of this lease; the remainder of said sum in the amount of \$ 118,750.00 payable at the commencement of the term

1 of this lease, or at an earlier date as hereinafter provided in Article 10
2 hereof. The payment of said rent thereafter shall be made to Lessor by
3 Lessee in advance on the first day of each month, which amount will be
4 one-twelfth (1/12) of the annual rent as set forth in the rent schedule above,
5 commencing January 1, 1975 through December 31, 1989.

6 Beginning with the commencement of the twenty-first (21st) year of
7 the term of this lease, and with the commencement of each successive five
8 year period of this lease, the yearly rental payable hereunder shall be
9 7 percent (7%) of the appraised value of the leased land as fixed by an im-
10 partial appraiser on the basis of the first month's fair rental value in a
11 fifty-five year lease. The appraiser shall be a member in good standing
12 of MAI and shall be mutually agreed upon by Lessor and Lessee at least
13 sixty (60) days prior to the date for adjustment in rental, and in the event
14 they cannot agree, the presiding judge of the Superior Court of Los Angeles
15 County shall appoint such an appraiser. Lessor shall pay the appraiser's
16 fee. In no event shall the rental as adjusted hereunder be less than the
17 initial rental provided for herein. When so fixed, said rental shall be
18 payable monthly in advance on the first day of each month.

19 All rental payments are to be made in lawful money of the United
20 States of America to the Lessor at 11627 South Brookshire, Downey,
21 California, or such other place as the Lessor may direct in writing.

22 ARTICLE 3 - UTILITIES

23 Lessee shall pay for all gas, electricity, telephone service, water,
24 trash removal, and all other services supplied to the Leased Premises.

25 ARTICLE 4 - TAXES

26 Lessee shall pay before delinquency any and all possessory interest
27 taxes, real property taxes, personal property taxes, assessments or special
28 assessments, license fees and public charges levied, assessed or imposed
29 that shall become payable during the Term of this lease upon the grounds,
30 the structures, furniture, equipment and fixtures, appliances or other
31 personal property installed or located in, on, or about the Leased Premises.
32 Provided, however, Lessee shall have the right to protest or contest any

1 assessment made, levied or imposed by any such taxing authority, but no
2 such protest or contest shall excuse Lessee from paying such taxes, assess-
3 ments, fees or charges when due and payable or before they become
4 delinquent.

5 ARTICLE 5 - NON-LIABILITY OF LESSOR FOR DAMAGES

6 Lessee hereby agrees to indemnify and save harmless Lessor,
7 officers, agents, or employees from all liability, loss, cost and obligation
8 or claim thereof, on account of or arising out of any injury to persons, or
9 death of persons, or damage or loss of property, arising out of or connected
10 with the Leased Premises, or use or occupancy thereof, during the term of
11 this lease or any extension thereof, including those arising out of actual or
12 claimed dangerous or defective conditions of the Leased Premises.

13 ARTICLE 6 - LIABILITY INSURANCE

14 Lessee further agrees to secure and keep in force during the Term
15 of this lease or any extension thereof, at Lessee's expense, public liability
16 insurance, in companies and through brokers acceptable to Lessor to pro-
17 tect against any accident occurring in, or about the Leased Premises, the
18 liability under such insurance to be not less than \$500,000.00 for any one
19 person injured or \$500,000.00 for any one accident, and \$200,000.00 for
20 property damage. These policies of insurance shall insure the contingent
21 liability of Lessor and are to be placed with Lessor, and Lessee is to obtain
22 a written obligation on the part of the insurance carriers to notify Lessor, in
23 writing, at least ten (10) days prior to any cancellation thereof, and Lessee
24 agrees, if Lessee does not keep such insurance in full force and effect, that
25 Lessor may take out the necessary insurance and pay the premiums and
26 Lessee shall pay Lessor the amount of such premiums in addition to the
27 rental as a part of its rental obligation on the next day upon which rent
28 becomes due.

29 ARTICLE 7 - FIRE AND EXTENDED COVERAGE INSURANCE

30 In addition to the rental provided for herein, and as a part of the
31 rental of the Leased Premises, Lessee agrees to keep in force fire and ex-
32 tended coverage insurance on the Leased Premises and any improvements

1 placed thereon by Lessee, during the entire term of this lease, in an amount
2 equal to at least eighty percent (80%) of the valuation of such improvements,
3 written by a reliable insurance company or companies authorized to do busi-
4 ness in California, subject to Lessor's approval. Said policy or policies to
5 be written in the name of and for the benefit of Lessor and Lessee, as their
6 respective interests may appear. Such insurance to be procured at the time
7 of commencement of construction of improvements thereon by Lessee, and
8 to be kept and maintained in full force during the entire term of this lease
9 at the expense of Lessee. Record of all such policies shall be delivered to
10 Lessor. In the event of failure of Lessee to procure such insurance or to
11 pay the premium or premiums thereon, or to properly maintain and keep
12 in force such insurance, Lessor shall have the right and privilege to procure
13 such insurance and to pay the premium or premiums thereon, the amount so
14 paid by Lessor shall be deemed additional rent, and shall be due and payable
15 with the next installment of rent due thereafter.

16 ARTICLE 8 - CONDEMNATION

17 In the event of any taking or damage of all or any part of the leased
18 premises or any interest therein by reason of any exercise of the power of
19 eminent domain, whether by a condemnation proceeding or otherwise, or
20 any transfer of all or any part of the leased premises or any interest therein
21 under imminent threat of any exercise of the power of eminent domain (all
22 of the foregoing being hereafter referred to as "appropriation") during the
23 term hereof (or any extension or renewal thereof), the rights and obligations
24 of Lessor and Lessee with respect to such appropriation shall be as hereafter
25 provided in this Article 8.

26 a. In the event of an appropriation of all the leased premises,
27 the lease shall terminate as of the date of such appropriation, with
28 the exception of Article 8 hereof which shall remain in full force and
29 effect.

30 b. In the event of appropriation of less than all of the leased
31 premises, the lease shall continue in full force and effect. However,
32 the rent payable hereunder shall be adjusted on a square footage basis.

1 so that Lessee shall be required to pay for the remainder of the term
2 only such portion of such rent as the area of the part remaining after
3 the appropriation bears to the area of the entire leased premises at
4 the date of the appropriation. The leased premises shall thereafter
5 be reduced by the portion so appropriated.

6 c. In the event of an appropriation of all or any part of the
7 leased premises, Lessor shall be entitled to the entire award including
8 but not limited to, compensation, damages, and interest, if any, made
9 with respect to the appropriation. Subject to the provisions of this
10 Article 8, payment from such award shall be made by Lessor to
11 Lessee of an amount equal to the value as hereinafter defined of any
12 improvements appropriated which have been constructed by the Lessee
13 on the demised premises pursuant to Article 10 hereof. Said value
14 shall be equal to the value of the improvements from the date of the
15 appropriation to the expiration of the term set forth in Article 1 hereof.

16 d. Notwithstanding any provision of this lease to the contrary,
17 the entire award, including, but not limited to, compensation, dam-
18 ages, and interest, if any, for an appropriation shall be paid to
19 Lessor. Nothing contained in this lease shall be deemed to create
20 any interest in Lessee in any award. Lessee hereby assigns to
21 Lessor the interest, if any, of Lessee in such award. Lessor shall
22 pay from such award the amount, if any, to Lessee as shall be de-
23 termined in accordance with the provisions of this Article 8; provided,
24 however, that if Lessee shall not have paid, performed, and observed
25 all of Lessee's covenants, promises, and obligations hereunder, then
26 such amount shall be reduced by the sum required to remedy any such
27 failure and to pay for any damages occasioned thereby.

28 e. If this lease is terminated pursuant to this Article 8, the
29 rental and all other obligations of Lessee hereunder shall be prorated
30 to the date of termination. If Lessee has paid, performed, and ob-
31 served all of Lessee's covenants, promises, and obligations hereunder
32 Lessor shall repay to Lessee any rental and other payments hereunder

1 paid by Lessee for any period beyond the date of termination.

2 ARTICLE 9 - REMEDIES OF LESSOR AND LESSEE UPON DEFAULT

3 In the event of any default in the performance of any of the terms,
4 conditions or conveyance of this lease by Lessee, which default remains un-
5 cured after thirty (30) days' written notice to Lessee, the Lessor, in addition
6 to other rights and remedies it may have, shall have the right, at its option,
7 without any further demand or notice:

8 a. To terminate this lease and to re-enter the demised premises
9 and eject all parties in possession thereof therefrom, using all nec-
10 essary force so to do, or

11 b. To re-enter the demised premises and, without terminating
12 this lease, re-let the leased premises, or any part thereof, as agent
13 and for the account of the Lessee upon such terms and conditions and
14 at such rental as Lessor may deem advisable. Lessor shall have the
15 right to make any alterations or repairs which the Lessor may deem
16 advisable for the re-letting of said premises.

17 No re-entry or taking of possession of the leased premises
18 by lessor shall be construed as an election on its part to terminate
19 this lease unless a written notice of such intention be given to the
20 Lessee.

21 Upon each and every re-letting of the leased premises pur-
22 suant to "b" above, Lessee shall be immediately liable to Lessor,
23 in addition to the other indebtedness set forth in this Article 9, the
24 amount, if any, by which the rent which was to have been paid by
25 Lessee under Article 2 hereof for the period of such re-letting (up
26 to but not beyond the term of this lease) exceeds the amount of rent
27 which shall be collected and received from the demised premises
28 during the period of said re-letting. The Lessor may, at its option,
29 apply the rents received on such re-letting, first to the payment of any
30 expenses of re-letting and collection, including necessary renovation
31 and alteration of the leased premises, reasonable attorney's fees,
32 and any real estate commissions actually paid and thereafter toward

1 payment of all sums due or to become due to the Lessor hereunder
2 and if a sufficient sum shall not be realized to pay such sums and
3 other charges, Lessee shall pay Lessor annually any cumulative
4 net deficiency existing on the debt when the rental is due hereunder.
5 The residue, if any, shall be held by Lessor and applied in payment
6 of future rent as the same may become due and payable hereunder.

7 Should the Lessor at any time terminate this lease under
8 "a" above, in addition to any other remedy it may have, Lessor may
9 recover from Lessee all damages Lessor may have incurred by reason
10 of Lessee's default, including the aforementioned costs, expenses, and
11 fees. Said damages are payable in a lump sum at the time of the termi-
12 nation of this lease by Lessor pursuant to this Article 9 and shall in-
13 clude a sum equal to the amount by which the rent to have been paid
14 under this lease for the remainder of the term exceeds the reasonable
15 rental value of the leased premises, including improvements thereon
16 for the remainder of the term. If the said reasonable rental value
17 exceeds the rent to have been paid under this lease for the remainder
18 of the term, plus Lessor's damages as aforesaid, then such excess
19 shall accrue to the benefit of the Lessor and Lessee shall have no
20 further obligation to Lessor hereunder.

21 c. In the event Lessor shall re-enter the leased premises
22 pursuant to this article, Lessee shall be allowed a reasonable period,
23 not to exceed thirty (30) days, in which to remove all money, valu-
24 ables, records, equipment, fixtures, furniture, and other personalty
25 owned and maintained by the Lessee and not affixed to the realty.

26 In the event that the Lessor shall obtain possession by re-
27 entry, pursuant to legal proceedings, or otherwise, the Lessee
28 hereby agrees to pay to the Lessor the expense incurred by the
29 Lessor in obtaining possession of said premises, including legal
30 expenses and attorney's fees, and to pay such other expenses as
31 the Lessor may incur in putting the premises in good order and
32 condition, and the cost of any alterations or repairs which the

1 Lessor may deem advisable for the re-letting of said premises, and
2 also any other expenses or commission paid by the Lessor in and
3 about the letting of same.

4 Notwithstanding anything to the contrary in this lease, Lessee shall
5 not be in default under any provision of this lease unless written notice
6 specifying such default is mailed to Lessee. If the default can be cured by
7 payment of money, Lessors agree that any mortgagee, trust deed holder,
8 assignee, or sublessee shall have the right to cure the default on behalf of
9 Lessee within thirty (30) days after receipt of such notice, in which event
10 this lease shall continue in full force and effect. If the default cannot be
11 cured by payment of money, Lessors agree that any such mortgagee, trust
12 deed holder, assignee, or sublessee shall have the right to cure the default
13 on behalf of Lessee, within a reasonable time (including the time needed by
14 any such mortgagee, trust deed holder, assignee, or sublessee, to obtain
15 possession of the Leased Premises in order to cure the default); provided,
16 however, that the rent herein provided shall be paid each month during the
17 time the default is being cured.

18 If Lessor is in material breach of any covenant, representation or
19 condition contained in this lease, Lessee may, at its option, terminate this
20 lease if such breach remains uncured after Lessee has given thirty (30) days'
21 written notice to the Lessor; and Lessee shall then remove all items men-
22 tioned hereinabove within a reasonable period of time not to exceed thirty
23 (30) days. In such event, Lessee shall be entitled, in addition to any other
24 remedy it may have, to recover from Lessor all damages Lessee may have
25 incurred by reason of such breach, termination and removal, together with
26 the reasonable value of the Lessee's permanent improvements remaining
27 as a part of the realty, and all such amounts shall be immediately due and
28 payable from Lessor to Lessee.

29 ARTICLE 10 - CONSTRUCTION AND ALTERATION OF BUILDING
30 IMPROVEMENTS

31 Lessee may, at Lessee's sole expense, raze any improvements
32 existing on the leased premises on the date of the commencement of the

1 term of this lease and construct on the leased premises any improvements
2 and make such repairs, additions, alterations, and improvements thereto as
3 Lessee may deem desirable. The cost of any such improvements, repairs,
4 additions, or alterations shall be borne solely by the Lessee. Lessee shall
5 not raze any improvements on the leased premises nor construct any im-
6 provements thereon prior to the commencement of the term of this lease
7 unless and until the parties hereto mutually agree to same in writing, in
8 which event Lessee hereby agrees to pay to Lessor, prior to razing any
9 improvements or commencing any construction, the total amount of rent due
10 and owing for the first five years of this lease.

✓ 11 Lessor shall not be obligated to maintain the leased premises or to
12 maintain, replace, or repair any improvements thereon.

13 All improvements constructed on the leased premises by the Lessee
14 and all additions, alterations and improvements thereto made by Lessee,
15 shall not become a part of the realty even if affixed to the realty, but shall
16 remain the exclusive personal property of Lessee during the term of this
17 lease. Upon the expiration of the term provided for in Article 1 hereof, or
18 upon Lessee's surrender of possession to Lessor prior to the expiration of
19 said term, all fixed improvements then located on the leased premises,
20 shall, at the Lessor's option, become the exclusive property of the Lessor.
21 Lessee agrees not to permit any liens to stand against the leased premises
22 for work done or materials furnished the Lessee; provided, however, the
23 Lessee may contest the validity of any such lien, but upon final determination
24 of the validity thereof Lessee shall cause such lien to be paid and released of
25 record without cost to Lessor.

26 ARTICLE 11 - SOIL TEST

27 Prior to bidding, Lessee is required to make a visual examination of
28 the site and must make whatever tests he deems appropriate to determine the
29 underground condition of soil. Lessee warrants that he has made said exam-
30 ination and conducted such tests as he deems necessary. Lessee agrees that
31 he will make no claim against the District for damages in the event that during
32 the term of this lease Lessee encounters unexpected subsurface conditions.

1 ARTICLE 12 - COMPLIANCE WITH LAW

2 Lessee shall, at its sole cost and expense, comply with all applicable
3 requirements of all Municipal, State, and Federal authorities now in force,
4 or which may hereafter be in force, pertaining to the Leased Premises and
5 the use made thereof, and shall faithfully observe in the use of the said
6 premises all applicable Municipal ordinances and State and Federal statutes
7 now in force or which may hereafter be in force. The judgment of any Court
8 of competent jurisdiction, or the admission of Lessee in any action or pro-
9 ceeding against Lessee, whether Lessor is a party or not, that Lessee has
10 violated any such ordinance or statute in the use of the said premises shall
11 be conclusive of that fact as between Lessor and Lessee.

12 ARTICLE 13 - ENTRY BY LESSOR

13 Lessee shall permit Lessor and their agents to enter into and upon
14 the Leased Premises at all reasonable times for the purpose of inspecting
15 the same.

16 ARTICLE 14 - WASTE

17 Lessee shall not commit, or suffer to be committed, any waste upon
18 the Leased Premises, or any nuisance, or other act or thing which may dis-
19 turb the quiet enjoyment of any adjoining property owner.

20 ARTICLE 15 - ASSIGNMENT OR SUBLETTING

21 Lessee shall not assign this lease, or any interest therein, and shall
22 not sublet the Leased Premises or any part thereof, or any right or privilege
23 appurtenant thereto, or suffer any other person (the agents, employees and
24 servants of Lessee excepted) to occupy or use the said premises, or any
25 portion thereof, without the written consent of Lessor first had and obtained,
26 and a consent to one assignment, subletting, occupation or use by another
27 person shall not be deemed to be a consent to any subsequent assignment,
28 subletting, occupation or use by another person. Any such assignment,
29 subletting, occupation or use without the written consent of Lessor shall be
30 void, and shall, at the option of Lessor, terminate this lease. This lease
31 shall not, nor shall any interest therein, be assignable, as to the interest
32 of Lessee by operation of law or otherwise, without the written consent of

1 Lessor first had and obtained. Provided, however, Lessor shall not un-
2 reasonably withhold its consent to any assignment or subletting by Lessee.

3 ARTICLE 16 - SIGNS AND DISPLAYS

4 Lessee shall have the right to exhibit signs and displays anywhere on
5 the Leased Premises, subject to the written approval of the Lessor as to
6 size, length of time, location and composition, which approval shall not be
7 unreasonably withheld.

8 ARTICLE 17 - ATTORNEY'S FEES

9 If either Lessor or Lessee shall bring suit against the other for
10 damages for breach of, or for the enforcement of, any provisions in this
11 lease or for declaratory relief arising out of this lease, the prevailing party
12 in any such action shall be entitled to reasonable attorney's fees as part of
13 the cost of such action. In the event Lessor utilizes the legal services of a
14 public officer, such as the County Counsel, it shall nevertheless be entitled
15 as prevailing party to such reasonable attorney's fees, which shall in turn
16 be paid to the account of such public legal officer.

17 ARTICLE 18 - SURRENDER OF LEASE NOT A MERGER

18 The voluntary or other surrender of this lease by Lessee, or a
19 mutual cancellation thereof, shall not work a merger, and shall, at the option
20 of Lessor, terminate all or any existing subleases or subtenancies, or may
21 at the option of Lessor, operate as an assignment to them of any or all such
22 subleases or subtenancies.

23 ARTICLE 19 - HOLDING OVER

24 If Lessee shall hold possession after the termination of this lease,
25 it shall become a tenant from month-to-month at the rental and upon the
26 terms herein provided and shall continue to be such until the tenancy shall
27 be terminated by Lessor or until Lessee shall have given Lessor written
28 notice of at least thirty (30) days of its intention to terminate the tenancy.

29 ARTICLE 20 - NOTICES

30 All notices, demands, and requests which may be or are required
31 to be given by either party to the other shall be in writing. All notices,
32 demands, and requests by Lessor to Lessee shall be sent by United States

1 Registered mail, postage prepaid, addressed to Lessee at
(Irving Moskowitz, M.D.) (Stanley Diller)
2 5887 Atlantic Avenue 419 South LaBrea

3 Long Beach, California 90805 Los Angeles, California 90036

4 or at such other place as Lessee may from time to time designate in writing.

5 All notices, demands, and requests by Lessee to Lessor shall be sent by
6 United States Registered mail, postage prepaid, addressed to the

7 Downey Unified School District

8 11627 South Brookshire Avenue

9 Downey, California 90241

10 or at such other place as Lessor may from time to time designate in writing.

11 Notices, demands, and requests which shall be served upon Lessor or Lessee
12 in the manner aforesaid shall be deemed sufficiently served or given for all
13 purposes hereunder at the times such notices, demands, or requests shall
14 be deposited, properly addressed, postage prepaid, in any post office or
15 branch post office regularly maintained by the United States Government in
16 the City of Downey, California.

17 ARTICLE 21 - BINDING ON SUCCESSORS

18 The covenants and conditions herein contained shall, subject to the
19 provisions as to assignment, apply to and bind the heirs, successors, ex-
20 ecutors, administrators, and assigns if any, of all of the parties hereto, and
21 the Lessees shall be jointly and severally liable hereunder.

22 ARTICLE 22 - TIME OF THE ESSENCE

23 Time is expressly made the essence of this lease and of each and
24 every term and condition hereof.

25 ARTICLE 23 - WAIVER

26 The waiver by Lessor or Lessee of any breach of any term, covenant,
27 or condition herein contained shall not be deemed to be a waiver of such term,
28 covenant or condition or of any subsequent breach of the same or any other
29 term, covenant or condition herein contained. The subsequent acceptance of
30 rent hereunder by Lessor shall not be deemed to be a waiver of any preceding
31 breach by Lessee of any term, covenant, or condition of this lease, other
32 than the failure of Lessee to pay the particular rental so accepted regardless

1 of Lessor's knowledge of such preceding breach at the time of acceptance of
2 such rent.

3 ARTICLE 24 - INSOLVENCY OF LESSEE

4 The filing of any petition in bankruptcy, or the adjudication of Lessee
5 as a bankrupt or insolvent, or the appointment of a receiver or trustee to
6 take possession of all or substantially all of the assets of Lessee, or a
7 general assignment by Lessee for the benefit of creditors, or any action take
8 or suffered by Lessee under any State or Federal insolvency or bankruptcy
9 act or laws and the continuance of any of the same for a period of thirty (30)
10 days, shall constitute a breach of this lease by Lessee and in such event
11 Lessor may at its option terminate this lease upon written notice to Lessee.

12 It is understood and agreed that neither this lease, nor any interest
13 herein or hereunder, nor any estate created hereby, shall pass by operation
14 of law under any State or Federal insolvency or bankruptcy act to any trustee,
15 receiver, assignee for the benefit of creditors or any other person whatsoever
16 without the express written consent of Lessor first had and obtained. Any
17 purported transfer in violation of the provisions of this paragraph shall con-
18 stitute a breach of this lease and in such event, Lessor may at its option,
19 without notice, declare this lease terminated.

20 ARTICLE 25 - WARRANTIES

21 It is understood and agreed that Lessor makes no covenants or
22 warranties with respect to zoning, soil bearing quality, usable building area,
23 availability of sewers, electricity, gas, water or other utilities, total area,
24 or any other matter relating to the Leased Premises not expressly stated in
25 this lease.

26 ARTICLE 27 - CAPTIONS

27 The title or headings to the paragraphs of this lease are not a part of
28 this lease and shall have no effect upon the construction or interpretation of
29 any part of this lease.

30 ARTICLE 27 - MISCELLANEOUS

31 a. The provisions of this lease shall be deemed and construed
32 to be covenants as though the words importing such covenants were

1 used in each separate paragraph hereof.

2 b. This lease shall be construed and enforced in accordance
3 with the laws of the State of California.

4 c. The words "Lessor" and "Lessee" as used herein shall
5 include the plural as well as the singular. Words used in the mas-
6 culine gender include the feminine and the neuter. If there be more
7 than one Lessor or Lessee, the obligation hereunder imposed upon
8 Lessor or Lessee shall be joint and several.

9 d. Upon expiration of the term provided for in Article 1 of
10 this lease, all fixed improvements of whatever kind or nature shall,
11 at the Lessor's option, become a part of the fee and as such shall
12 be and become a part of the real property reverting to Lessor,
13 regardless of any holding over by Lessee as a month-to-month
14 tenant under Article 18 of this lease.

15 e. It shall be Lessee's responsibility to proceed with diligence
16 in obtaining any zone variance required by reason of Lessee's
17 intended use of the demised premises or proposed construction
18 thereon. If, after diligent efforts, Lessee is unable to obtain the
19 required zone variance, Lessee shall have the right to terminate
20 this lease, provided said right is exercised within six months of
21 the date first herein above written. In no event shall Lessee have
22 the right to terminate this lease after the expiration of said six-
23 month period.

24 f. "Lessor agrees to execute, acknowledge and deliver to
25 Lessee a statement in writing certifying either that this lease is
26 unmodified and in full force and effect, or that there have been
27 modifications, stating the dates thereof, and stating the dates to
28 which all rents have been paid, and whether or not to the best know-
29 ledge of the signer of such statement, the Lessee is in default under
30 the terms and conditions of the lease, and if in default, specifying
31 each such default." Said statement shall be made by Lessor within
32 fifteen (15) days after receipt of Lessee's written request for same,

1 provided that said request shall not be made more often than
2 semi-annually.

3 ARTICLE 28 - COVENANT AGAINST ENCUMBRANCES

4 Lessee shall not pledge, mortgage, hypothecate, or subordinate this
5 lease, or any interest herein or the Leased Premises for the performance
6 of any act, omission, forbearance, obligation, duty, indebtedness or
7 charge of Lessee in any manner or at all, and neither this lease, nor any
8 interest herein, nor the Leased Premises shall act as security for the
9 performance of any act, omission, forbearance, obligation, duty, in-
10 debtedness or charge other than that of the Lessor, without the prior written
11 consent of Lessor, which consent shall not be unreasonably withheld.

12 IN WITNESS WHEREOF, the parties have executed this instrument
13 in multiple originals the day and year first above written.

14
15 LESSOR

16 Downey Unified School District
17 11627 South Brookshire Avenue
18 Downey, California 90241

19 Mrs. Grace E. Horney
20 Mrs. Grace E. Horney, President

Hadley F. Morrison
21 Mr. Hadley F. Morrison, Member

22 C. J. Unice
23 Dr. Charles J. Unice, Vice Pres.

H. Lee Trafford
24 Mr. H. Lee Trafford, Member

25 James R. Harvey
26 Dr. James R. Harvey, Clerk

Merritt M. Yancey
27 Mr. Merritt M. Yancey, Member

28 Mrs. Betty L. Kilpatrick
29 Mrs. Betty L. Kilpatrick, Member

Downey Unified School District
Board of Education

30
31 LESSEE

32 Atlantic Medical Laboratories, Inc.
5887 Atlantic Avenue
Long Beach, California 90805

Stanley Diller
419 South La Brea
Los Angeles, California 90036

Irving Moskowitz
Irving Moskowitz, M. D., President

Stanley Diller
Stanley Diller

Approved as to Form
JOHN D. MAHARG
County Counsel

By Ernie M. Gilla
Deputy

Downey Unified School District

LEGAL DESCRIPTION OF PARCEL A

That portion of Block 2 of Tract No. 9457, in the City of Downey, County of Los Angeles, State of California, as per map recorded in Book 171, Page 7 of Maps in the office of the County Recorder of said county, described as follows:

Beginning at a point in the northwesterly line of said block, being the southeasterly line of Dolan Street as shown on said map, that is southwesterly thereon 150.00 feet from the most northerly corner of said block; thence parallel with the northeasterly line of said block, being the southwesterly line of Iowa Street as shown on said map, South $57^{\circ}42'30''$ East 145.00 feet; thence parallel with said southeasterly line of Dolan Street, North $32^{\circ}53'45''$ East 150.00 feet; thence along said southwesterly line of Iowa Street, South $57^{\circ}42'30''$ East 399.29 feet to a point therein that is North $57^{\circ}42'30''$ West 37.00 feet from the most easterly corner of said block; thence South $12^{\circ}26'22''$ East 23.93 feet to a point in the northwesterly line of the southeasterly 20 feet of said block that is southwesterly thereon 17.00 feet from the northeasterly line of said block; thence along the northwesterly line of said southeasterly 20 feet, South $32^{\circ}49'45''$ West 259.91 feet to the beginning of a tangent curve concave northerly and having a radius of 15 feet, said curve being also tangent to a line that is parallel with and distant southwesterly 291.77 feet (measured along the southeasterly line of said block) from the northeasterly line of said block; thence westerly along said curve through a central angle of $89^{\circ}27'45''$ an arc distance of 23.42 feet to said last mentioned parallel line; thence thereon North $57^{\circ}42'30''$ West 531.61 feet to the beginning of a tangent curve concave easterly and having a radius of 15 feet, said curve being also tangent to the northwesterly line of said block; thence northerly along said curve through a central angle of $90^{\circ}36'15''$ an arc distance of 23.72 feet to said northwesterly line; thence thereon North $32^{\circ}53'45''$ East 126.61 feet to the point of beginning.

Contains 3.25576 Acres

LK:aa 2/27/69
ROUGH DRAFT

419 SOUTH LA BREA AVENUE
LOS ANGELES, CALIFORNIA 90036

February 27, 1969

Board of Education
Downey Unified School District
11627 Brookshire Avenue
Downey, California 90241

Gentlemen:

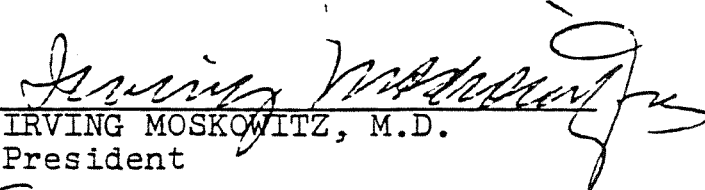
Reference is made to the Lease awarded to the undersigned in connection with the property bounded by Brookshire Avenue and Dolin, Iowa and Davis Streets.

Pursuant to the provisions of Article 15, permission is respectfully requested to assign said Lease to "Atlantic Medical Laboratories, Inc., and Stanley Diller, Inc., a joint venture".

Atlantic Medical Laboratories, Inc., and Stanley Diller, Inc., are each California corporations in good standing. The undersigned believes the assignment would be to the best interest of the Downey Unified School District in that the proposed assignees would assure the continuity of the operation on the leased premises and would provide greater financial responsibility. Each of the corporations and their officers, directors and stockholders are experienced and familiar with the development, use and management of commercial real property.

Very truly yours,

ATLANTIC MEDICAL LABORATORIES, INC.

By: 
IRVING MOSKOWITZ, M.D.
President


STANLEY DILLER

Board of Education
Downey Unified School District
February 27, 1969
Page 2

The proposed assignees under the foregoing request for assignment do hereby join in said request and agree to be bound by all of the terms and provisions of the Lease.

ATLANTIC MEDICAL LABORATORIES, INC.

By: *Irving Moskowitz*
IRVING MOSKOWITZ, M.D.
President

STANLEY DILLER, INC.

Stanley Diller
STANLEY DILLER
President

1 AMENDMENT TO GROUND LEASE AGREEMENT

2
3 THIS AMENDMENT is made this 19th day of January, 1970,
4 by and between the DOWNEY UNIFIED SCHOOL DISTRICT, Downey,
5 California (Lessor) and STANLEY DILLER, INC., 419 South La Brea,
6 Los Angeles, California and ATLANTIC MEDICAL LABORATORIES, INC.,
7 5885 Atlantic Avenue, Long Beach, California (Lessees) to that certain
8 Ground Lease Agreement dated 7th day of April, 1969 by and
9 between Lessor and Lessees:
10

11 RECTALS:

12 1. Lessor has agreed to lease, let and demise to Lessees, and
13 Lessees have agreed to take and rent from Lessor, the real property
14 described in said Ground Lease Agreement.

15 2. Lessor and Lessees desire to amend the dates of
16 commencement and termination of the term of the Lease set forth in
17 said Ground Lease Agreement.
18

19 AGREEMENT

20 IN CONSIDERATION of the agreements hereinafter set forth,
21 it is hereby agreed as follows:

22 1. ARTICLE 1 of the said Ground Lease Agreement is hereby
23 amended to read as follows:

24 "ARTICLE 1 - TERM

25 "This lease shall be for a term of fifty-five (55) years (The "Term")
26 commencing on the first day of May, 1970, and expiring on the thirtieth
27 day of April, 2025."

28 2. ARTICLE 2 of the said Ground Lease Agreement is hereby
29 amended to read as follows:

30 //

31 //

32 //

1 "ARTICLE 2 - RENTAL

2 "Lessee agrees to pay to Lessor the following minimum amounts
3 of rent annually:

4 "During first five years of lease \$ 26,750.00 per year

5 "During second five years of lease \$ 33,170.00 per year

6 "During third five years of lease \$ 41,730.00 per year

7 "During fourth five years of lease \$ 51,360.00 per year

8 "The total sum due for the first five-year period in the amount
9 of \$ 133,750.00 is payable in advance as follows: \$15,000 payable
10 at the time of the execution of this lease; the remainder of said sum in
11 the amount of \$ 118,750.00, payable at the commencement of the term
12 of this lease, or at an earlier date as hereinafter provided in Article 10
13 hereof. The payment of said rent thereafter shall be made to Lessor by
14 Lessee in advance of the first day of each month, which amount will be
15 one-twelfth (1/12) of the annual rent as set forth in the rent schedule
16 above, commencing May 1, 1975 through April 30, 1990.

17 "Beginning with the commencement of the twenty-first (21st)
18 year of the term of this lease, and with the commencement of each
19 successive five-year period of this lease, the yearly rental payable
20 hereunder shall be 7 percent (7%) of the appraised value of the leased
21 land as fixed by an impartial appraiser on the basis of the first month's
22 fair rental value in a fifty-five year lease. The appraiser shall be a
23 member in good standing of MAI and shall be mutually agreed upon by
24 Lessor and Lessee at least sixty (60) days prior to the date for adjust-
25 ment in rental, and in the event they cannot agree, the presiding judge
26 of the Superior Court of Los Angeles County shall appoint such an
27 appraiser. Lessor shall pay the appraiser's fee. In no event shall the
28 rental as adjusted hereunder be less than the initial rental provided for
29 herein. When so fixed, said rental shall be payable monthly in advance
30 on the first day of each month.

31 "All rental payments are to be made in lawful money of the United
32 States of America to the Lessor at 11627 South Brookshire, Downey,

1 California, or such other place as the Lessor may direct in writing."

2 3. The provisions of the said Ground Lease Agreement are
3 hereby modified to conform herewith, but in all other respects are
4 to be and continue in full force and effect.

5 IN WITNESS WHEREOF, the parties hereto have executed this
6 Amendment as of the day and year first above written.

7
8 DOWNEY UNIFIED SCHOOL DISTRICT

9
10 By James R. Hawley
11 President of the Governing Board

12 By John Troff
13 Clerk of the Governing Board

14 LESSOR

15
16 STANLEY DILLER, INC.

17 By Stanley Diller
18 Stanley Diller, President

19
20 ATLANTIC MEDICAL LABORATORIES, INC.

21
22 By Irving Moskowitz
23 Irving Moskowitz, M. D., President

24 LESSEES

25
26
27
28
29 Approved as to Form

30 J. J. Fikberg
31 County Counsel

32 By Kenneth E. Reynolds
Deputy

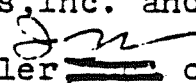
February 27, 1976

Downey Unified School District
a California corporation
11627 S. Brookshire Avenue
Downey, California

Attention: D. Hart

Re: 55 Year Ground Lease - Property on Brookshire

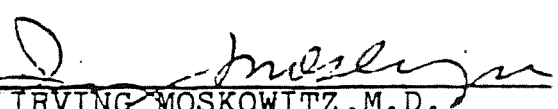
Gentlemen:

We are pleased to advise you that a final Agreement of Settlement has been entered into between the undersigned Atlantic Medical Laboratories, Inc. and Irving Moskowitz on the one hand and Stanley Diller  on the other hand. By the terms of that final Agreement of Settlement, Atlantic Medical Laboratories, Inc. has transferred and assigned unto Stanley Diller, Inc. all of the right, title, interest and estate of the undersigned in and to the aforesaid 55 year ground lease.

You are therefore fully authorized to deal with Stanley Diller, Inc. and Stanley Diller, in all matters respecting said 55 year ground lease, and to look to said Stanley Diller, Inc. and Stanley Diller for the performance of the terms of said lease.

Yours very truly,

ATLANTIC MEDICAL LABORATORIES
a California corporation

By 
IRVING MOSKOWITZ, M.D.
President

Confirmation of Board action dated March 17, 1975

AMENDMENT TO GROUND LEASE AGREEMENT

THIS AMENDMENT made and entered into this 6th day of June 1977, by and between DOWNEY UNIFIED SCHOOL DISTRICT, hereinafter referred to as Lessor, and STANLEY DILLER, INC., hereinafter referred to as Lessee, to that certain Ground Lease Agreement dated the 7th day of April, 1969 relating to the property described in Exhibit A attached hereto:

W I T N E S S E T H:

That for good and valuable consideration, the parties do hereby agree that the following amendments to the lease are to be in effect as of this date:

1. Article 8(c) is amended to read:

"In the event of an appropriation of all or any part of the leased premises, the only portion of any award of compensation which shall be paid to Lessee shall be an amount equal to the value as hereinafter defined of any improvements appropriated which have been constructed by the Lessee on the demised premises pursuant to Article 10 hereof. Said value which shall be paid to Lessee shall be the fair market value of the improvements placed upon the leased premises by Lessee which are taken."

2. Article 8(d) is deleted from the lease and of no force and effect.

3. Article 9(c), at page 8, line 4 through page 8, line 17 is amended to read as follows:

"In the event that Lessee, pursuant to Article 28

hereof, shall assign, or encumber by deed of trust or mortgage his leasehold interest as security for any loan obtained by Lessee, Lessee or the lender shall deliver to Lessor within a reasonable time after such assignment, deed of trust, mortgage or encumbrance, a true and correct copy of the security interest securing such loan. In the event any such assignment, deed of trust, mortgage or encumbrance to a lender is made, such lender or any purchaser at foreclosure or trustee's sale shall succeed to Lessee's interest by foreclosure or trustee's sale under such security instrument, or assignment in lieu of foreclosure or trustee's sale. In the event Lessee defaults in performance of any obligations under the lease, Lessor will not terminate this lease because of such default unless and until Lessor gives sixty days written notice to the holder of the security instrument, and such holder of such security instrument either (a) fails to cure such default if the same can be cured by the payment of money required to be paid under the provisions of the lease, or (b) if such default is not curable by such payment of money, fails to commence and thereafter diligently pursue foreclosure and/or sale proceedings under such security instrument, and keeps the payments of rent current during the pendency of such foreclosure and/or sale proceedings. The foregoing provisions of this section shall supersede any provisions to the contrary contained in this lease."

4. Article 10, starting at page 9, line 13 is amended as follows:

"All improvements constructed on the lease premises by Lessee, and all additions, alterations and improvements thereto made by Lessee, shall become a part of the realty. Lessee shall have, during all such times as Lessee shall be lawfully in possession of leased premises, the right to alter, improve, and remove without damage to the leased premises, and/or all such improvements. Upon the expiration of the lease term provided for in Article 1 hereof, or upon Lessee's surrender of possession to Lessor prior to the expiration of said term, any or all such fixed improvements may, at Lessor's sole option, be removed by Lessee from the leased premises under such terms and conditions as Lessor may deem appropriate. Lessee agrees not to permit any liens to stand against the leased premises for work done or materials furnished the Lessee; provided, however, the Lessee may contest the validity thereof. Lessee shall cause lien to be paid and released of record without cost to Lessor."

5. Article 27(d) is amended to read as follows:

"Upon expiration of the term provided for in Article 1 of this lease and except as provided in Article 10 hereof, all fixed improvements of whatever kind or nature shall become a part of the fee and as such shall be and become a part of the real property

reverting to Lessor, regardless of any holding over by Lessee as a month-to-month tenant under Article 18 of this lease."

That except as hereinabove amended, the aforesaid lease is hereby confirmed and ratified in all respects.

IN WITNESS WHEREOF, the Lessor and the Lessee have executed this Amendment the day and year first above written.

Downey Unified School District, Lessor

By *Robert K. Hornstrom*
Clerk of the Governing Board

Stanley Diller
Stanley Diller, Inc., Lessee

Downey Unified School District

LEGAL DESCRIPTION OF PARCEL A

That portion of Block 2 of Tract No. 9457, in the City of Downey, County of Los Angeles, State of California, as per map recorded in Book 171, Page 7 of Maps in the office of the County Recorder of said county, described as follows:

Beginning at a point in the northwesterly line of said block, being the southeasterly line of Dolan Street as shown on said map, that is southwesterly thereon 150.00 feet from the most northerly corner of said block; thence parallel with the northeasterly line of said block, being the southwesterly line of Iowa Street as shown on said map, South $57^{\circ}42'30''$ East 145.00 feet; thence parallel with said southeasterly line of Dolan Street, North $32^{\circ}53'45''$ East 150.00 feet; thence along said southwesterly line of Iowa Street, South $57^{\circ}42'30''$ East 399.29 feet to a point therein that is North $57^{\circ}42'30''$ West 37.00 feet from the most easterly corner of said block; thence South $12^{\circ}26'22''$ East 23.93 feet to a point in the northwesterly line of the southeasterly 20 feet of said block that is southwesterly thereon 17.00 feet from the northeasterly line of said block; thence along the northwesterly line of said southeasterly 20 feet, South $32^{\circ}49'45''$ West 259.91 feet to the beginning of a tangent curve concave northerly and having a radius of 15 feet, said curve being also tangent to a line that is parallel with and distant southwesterly 291.77 feet (measured along the southeasterly line of said block) from the northeasterly line of said block; thence westerly along said curve through a central angle of $89^{\circ}27'45''$ an arc distance of 23.42 feet to said last mentioned parallel line; thence thereon North $57^{\circ}42'30''$ West 531.61 feet to the beginning of a tangent curve concave easterly and having a radius of 15 feet, said curve being also tangent to the northwesterly line of said block; thence northerly along said curve through a central angle of $90^{\circ}36'15''$ an arc distance of 23.72 feet to said northwesterly line; thence thereon North $32^{\circ}53'45''$ East 126.61 feet to the point of beginning.

Contains 3.25576 Acres

AMENDMENT TO GROUND LEASE

This Amendment is made this 7th day of July, 1980 by and between the DOWNEY UNIFIED SCHOOL DISTRICT, a California Public School herein referred to as "LESSOR", and STANLEY DILLER, INC, herein referred to as "LESSEE".

The Lessor and Lessee mutually agree to Amend the Ground Lease Agreement of those certain premises bounded by Iowa Street on the North, Davis Street on the South, Brookshire Avenue on the East, and Dolan Street on the West, situated in the City of Downey, County of Los Angeles, State of California (hereinafter referred to as the "leased premises") as follows:

TERM

The Lessor and Lessee agree that the Term of the Ground Lease shall be extended for an additional 20 years, making the expiration date April 13, 2045.

LOT SPLIT

Lessor and Lessee agree that Lessee will subdivide the leased premises by a Lot Split into four (4) separate parcels. The dimensions and specifications of each parcel are contained in the Parcel Map attached to this Amendment and marked "Exhibit B".

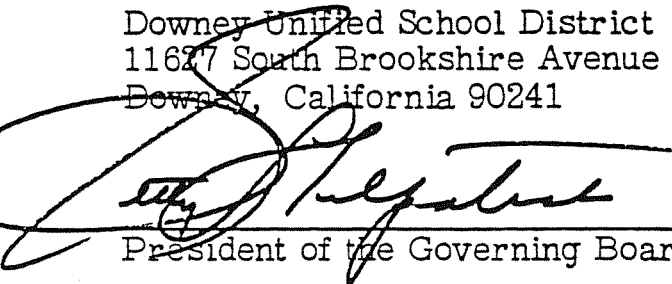
BUILDING ON PARCEL #4

The Lessor and Lessee agree that upon the expiration of the Lease Agreement on April 13, 2045, the leased land shall be returned to the Lessor. In the event Lessee has constructed buildings or structures on said land, Lessee shall bear the costs of demolition and arrange for any necessary demolition prior to the expiration of the lease.

IN WITNESS WHEREOF, the parties to this Agreement have executed this instrument the day and year first stated above.

LESSOR

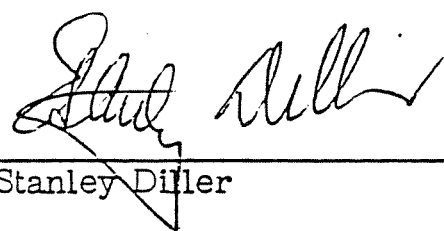
Downey Unified School District
11627 South Brookshire Avenue
Downey, California 90241



President of the Governing Board

LESSEE

Stanley Diller, Inc.



Stanley Diller

AMENDMENT TO GROUND LEASE

This Amendment is made this 15th day of November, 1982, by and between THE DOWNEY UNIFIED SCHOOL DISTRICT, a California Public School, hereinafter referred to as ("Lessor"), and STANLEY DILLER, INC., hereinafter referred to as ("Lessee").

R E C I T A L S

WHEREAS, Lessor and Lessee have previously entered into a ground lease agreement for the leased premises dated January 19, 1970; and

WHEREAS, pursuant to Article 8 of said lease agreement entitled Condemnation, Lessee is to be entitled to a rent abatement in the event of any taking of all or any part of the leased premises, by condemnation proceedings or otherwise, and furthersaid abatement is to be based upon the formula described in sub-section B of Article 8; and

WHEREAS, the City of Downey, as part of their redevelopment project, has demanded the dedication of ten feet of additional right-of-way be given for Davis Street and Dolan Avenue, including a corner cutoff at Iowa and Davis Streets, which would effectively reduce the leased premises pursuant to Article 8, and therefore entitles the Lessee to a reduction in rent.

NOW, THEREFORE, in consideration of the mutual premises herein contained the Lessor and Lessee mutually agree to amend the ground lease agreement of those certain premises bounded by Iowa Street on the North, Davis Street on the South, Brookshire Avenue on the East, and Dolan Street on the West, (See EXHIBIT "A" attached hereto and incorporated herein) situated in the City of Downey, County of Los Angeles, State of California hereinafter referred to as the ("Leased Premises") in the following respects only:

1. The Lessee hereby agrees to waive its right to a rent abatement as to the 10 feet taken on Davis and the 10 feet taken on the Dolan Street only, as described in Article 8 of the lease agreement.

2. By agreeing to waive said right to a rent abatement as to this taking only, Lessee hereby shall still be entitled to all the benefits it has under the remaining portions of the lease agreement. Said benefit shall include but not be limited to the right to any further rent abatements should a further taking be made pursuant to the terms of the lease agreement.

3. It is further understood that by said Lessee agreeing to waive the rights that he is entitled to pursuant to Article 8, Lessee does not waive any other provisions pursuant to the lease agreement and the previously entered into amendments of said lease agreement.

IN WITNESS WHEREOF, the parties to this agreement have executed this instrument the day and year first stated above.

"LESSOR"

DOWNEY UNIFIED SCHOOL DISTRICT
11627 South Brookshire Avenue
Downey, CA 90241

Margo Hoffman
President of the
Governing Board

"LESSEE"

STANLEY DILLER, INC.

Stanley Diller
Stanley Diller
President

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

LATHAM & WATKINS
555 South Flower Street
Los Angeles, California 90071
Attention: Bruce A. Bigony, Esq

This Document is an exact copy (not prepared by the County
Recorder) of a Beth A. Agnew which was
recorded in the Office of the County Recorder of Los Angeles
County, State of California on 5-20-83 as Document
No. 83-566568 in Book _____
Page _____

SAFECO TITLE INSURANCE COMPANY

By Carol A. Lopez/C

ESTOPPEL CERTIFICATE AND AGREEMENT

(Ground Lease)

The undersigned, Downey Unified School District, a California Public School (the "Lessor"), and Brookshire Partners (the "Lessee"), have entered into that certain "Ground Lease," as hereinbelow identified, and hereby certify to Security Pacific National Bank, a National Banking Association (the "Lender"), for the benefit of Lender the following:

1. Lessor is aware that Lessee has applied to Lender for a loan of \$5,500,000 (the "Loan") secured by a construction deed of trust dated as of May 3, 1983 (the "Deed of Trust"), to construct the "Improvements" (as defined in the Deed of Trust).

2. Lessor is the lessor and Lessee is the successor lessee under a ground lease (the "Ground Lease") dated as of April 7, 1969 executed by Lessor and Stanley Diller, Inc. and Atlantic Medical Laboratories, Inc., as lessee, as amended by amendments dated January 19, 1970, June 6, 1977, July 7, 1980, and November 15, 1982. The Ground Lease and the amendments are hereinafter collectively referred to as the "Lease" (a true and correct copy of which is attached hereto as Exhibit "A"). Pursuant to an Agreement of Settlement between Atlantic Medical Laboratories, Inc., Irving Muskowitz and Stanley Diller, on February 27, 1976, Atlantic Medical Laboratories, Inc. transferred and assigned unto Stanley Diller, Inc. all of its right, title, interest and estate in and to the Lease. Per Assignment dated January 4, 1982, Stanley Diller and Stanley Diller, Inc. transferred and assigned unto Lessee all of their respective right, title, interest and estate in and to the Lease.

3. The Lease is the only instrument and agreement in effect between Lessor and Lessee respecting the property described therein (the "Premises"), the Lease contains the entire agreement of the parties in that respect, there are no amendments, modifications, or supplements thereto except those referred to in Paragraph 2 hereof, and the Lease is in full force and effect.

4. Lessor has not sent to Lessee nor has Lessee received from Lessor any notice of default under the Lease and Lessor has no present actual knowledge of any facts which would give rise to a breach or default by either party under the Lease.

5. Rent under the Lease has been paid to Lessor to May 1, 1983, and no rent is presently delinquent under the Lease. -

6. Lessor has no actual knowledge of any violation of any law, ordinance, or governmental rule or regulation on or relating to the Premises covered by the Lease and has not received any notification from any federal, state, or municipal authority having jurisdiction over the Premises alleging that any such violation exists.

7. Lessor shall, after it acquires knowledge of the occurrence of any default or breach under the Lease (or of any event which, with notice or lapse of time or both, would constitute a default or breach) and in any event, simultaneously with its sending to Lessee any notice of default or breach under the Lease, serve written notice thereof by certified or registered mail to Security Pacific National Bank, 333 So. Hope Street, P.O. Box 2097 Terminal Annex, Los Angeles, California 90071, Attn: Vincent M. Rosanova, H-24-1.

8. Lessor shall not terminate the Lease if Lender, within forty-five (45) days after the notice provided for in Section 7 above has been served by Lessor, shall:

(a) Cure any default or breach described in such notice if the same can be cured by the payment or expenditure of money required to be paid under the Lease;

(b) If any such default or breach is of such nature that it cannot be cured by the payment of money, commence and thereafter diligently pursue to completion the enforcement of its rights (including, but not limited to proceedings for foreclosure and sale) under and pursuant to its Deed of Trust and within forty-five (45) days of completion of the enforcement of its rights under the Deed of Trust, Lender shall commence and thereafter diligently pursue to completion, the curing of such default or breach, in which event Lender may succeed to all of the rights and obligations of Lessee under the Lease.

If any such default or breach relates to the insolvency or bankruptcy of Lessee, and Lender is stayed, enjoined or otherwise limited or restricted in taking action against Lessee; or if Lessee or any trustee, custodian or receiver for trustee shall elect to terminate the Lease under any insolvency or bankruptcy statute, or if Lessor is entitled to terminate the Lease on account of such insolvency or bankruptcy, then the Lease shall not terminate as to Lender so long as Lender (i) immediately after relief from the stay, injunction or other limitation or restriction, diligently pursues the enforcement of its rights under and pursuant to its Deed of Trust, and (ii) within forty-five (45) days after relief from the stay, injunction or other limitation or restriction, cures all of Lessee's obligations under the Lease requiring the expenditure or payment of money, in which event Lender may succeed to all of the rights of Lessee under the Lease.

9. Lessor hereby consents to the execution by Lessee of the Deed of Trust. Such consent shall not constitute a subordination of the Lease to the Deed of Trust.

10. Notwithstanding anything to the contrary set forth in the Lease, Lender shall be named by Lessee as an additional insured in all fire and other hazard insurance policies, pursuant to a standard mortgagee clause or endorsement. In the event of damage to, or destruction of, the Improvements, all insurance proceeds shall be held by Lender for application in accordance with the Deed of Trust. So long as Lessee satisfies the conditions for reconstruction as set forth in the Deed of Trust, all such insurance proceeds shall be applied toward repair and reconstruction of the damaged Improvements. Any rent or business interruption insurance proceeds shall be required to be applied first to paying any unpaid and due obligations owing under the Lease, then to payment of any unpaid obligations owing under the Deed of Trust, including any principal or interest that is due or may become due, and any remainder to Lessor or Lessee as provided in the Lease.

11.1 Notwithstanding anything to the contrary set forth in the Lease, immediately upon its obtaining actual knowledge of the institution or the threatened institution of any proceeding for the condemnation of the Premises or any part thereof, Lessor shall notify Lessee and Lender of such fact. Lender shall be entitled to participate in the same and to be represented therein by counsel of its choice, and Lessor will deliver, or cause to be delivered, to Lender such instruments as may be requested by it from time to time to permit such participation.

11.2. In the event of a taking of the entire Premises or Improvements, or if a consent settlement is entered, by or under threat of such condemnation proceeding, the award or settlement shall be apportioned between Lessor and Lessee whereby Lessor shall receive the value of the Premises taken, treated as unimproved and encumbered by the Lease, and Lessee shall receive the value of the leasehold improvements. Lessor acknowledges that all proceeds payable to Lessee hereunder have been and shall be assigned, transferred and paid over to Lender in accordance with the Deed of Trust.

11.3 In the event of a partial taking, or if a consent settlement is entered, by or under threat of such condemnation proceeding, neither Lessor nor Lessee may terminate the Lease until the Loan is paid in full. All funds from such award or settlement apportioned to Lessee as set forth in paragraph 11.2 above shall be applied, at Lender's option, to payment of principal or interest on the Loan or held by Lender for reconstruction or repair of the Improvements, all in accordance with the Deed of Trust.

12. Lessor acknowledges that Lessee is constructing a portion of the Improvements on the Premises. Lessor shall not, however, be obligated to maintain, replace or repair any portion of such Improvements or any improvements subsequently erected on the Premises in addition to or in substitution for the same. Lessor acknowledges that Lessee

is entitled to construct such portion of such Improvements on the Premises pursuant to the terms of the Lease.

13. Lessor and Lessee shall not amend, modify, mutually terminate or otherwise change any provision in the Lease without the prior written consent of Lender.

14. Notwithstanding anything to the contrary in the Lease, the Lease shall not be subordinate to any mortgage, deed of trust or other security instrument placed on the Premises at the sufferance of Lessor.

15. Notwithstanding anything to the contrary in the Lease, Lessee may sublet office or commercial space in the Improvements (but not the Improvements in their entirety) in its ordinary course of business without Lessor's prior approval or consent.

16. This Certificate or a memorandum of this Certificate and any other heretofore unrecorded addendums to the Lease shall be executed by Lessor and Lessee for the purpose of recording with the County Recorder for the County of Los Angeles, at the expense of Lessee.

17. This Certificate shall inure to the successors and assigns of Lender in ownership of the Loan.

18. By its execution hereof, Lessee agrees to pay all reasonable counsel fees incurred to Lessor's attorney

for review and revision hereof up to, but not exceeding,
\$1,000.00.

IN WITNESS WHEREOF, the undersigned has executed
this Estoppel Certificate as of the 17th day of May, 1983.

"Lessor"

DOWNEY UNIFIED SCHOOL DISTRICT,
a California public school

By: Donald E. DePante

By: _____

"Lessee"

BROOKSHIRE PARTNERS, a California
general partnership

By: Stanley Diller
Stanley Diller,
general partner

By KORNWASSER & FRIEDMAN-
DOWNEY MEDICAL, a California
general partnership, general
partner

By: Joseph K. Kornwasser
Joseph K. Kornwasser,
general partner

By: Jerald Friedman *
Jerald Friedman,
general partner

Acknowledged for the benefit of:

SECURITY PACIFIC NATIONAL BANK,
a national banking association

By: Vincent M. Rosanova
Vincent M. Rosanova,
Assistant Vice President

* By JOSEPH K. KORNWASSER
ATTORNEY-IN-FACT

ASSIGNMENT

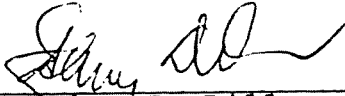
The undersigned Stanley Z. Diller and Stanley Diller, Inc. hereby assign to Brookshire Partners, a California general partnership, all of their right, title, interest and estate in and to that certain lease dated as of April 7, 1969 with the Downey Unified School District, as lessor, as from time to time amended.

Date 1/4/82



Stanley Z. Diller

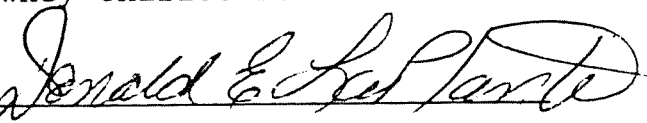
Stanley Diller, Inc.

By 

Stanley Z. Diller

The undersigned Downey Unified School District, lessor under the above-referenced lease, consents to such assignment.

5/17/83

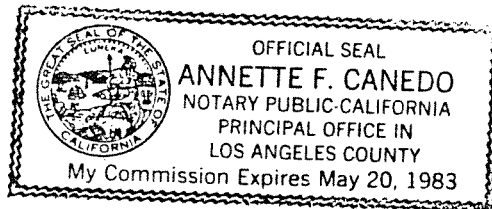
Downey Unified School District
By 

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

On this 17th day of May, in the year 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared Donald E. LaPlante, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument as President of the Board of Education of the Downey Unified School District, and acknowledged to me that the Downey Unified School District executed it.

WITNESS my hand and official seal.

Signature Annette F. Canedo



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

On 17th day of May, 1983 before me, the undersigned, a Notary Public in and for said State, personally appeared Stanley Z. Diller personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as one of the partners of the partnership that executed the within instrument, and acknowledged to me that such partnership executed the same.

WITNESS my hand and official seal.

Signature *Stanley Z. Diller*

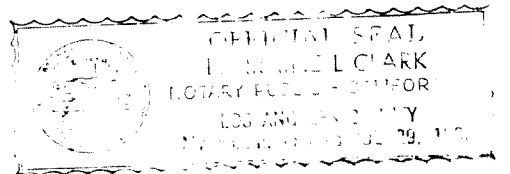
Angelita C. Rodas



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

On this 17 day of MAY, 1983, before me
LORRAINE L. CLARK, a Notary Public in and for said
state, personally appeared Joseph K. Kornwasser personally
known to me or proved to me on the basis of satisfactory
evidence to be the person who executed the within instrument
as one of the partners of KORNWASSER & FRIEDMAN - DOWNEY
MEDICAL, a partnership, said partnership being known to me
to be one of the partners of BROOKSHIRE PARTNERS, the
partnership that executed the within instrument, and
acknowledged to me that he executed the same as one of the
partners of the partnership first above named, that said
partnership executed the same as a partner of BROOKSHIRE
PARTNERS, and that said last named partnership executed the
same.

WITNESS my hand and official seal.



Signature

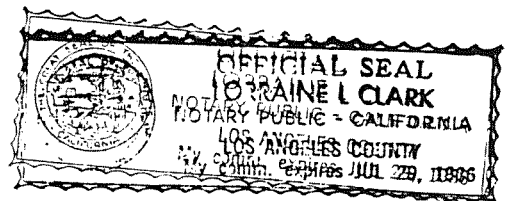
Lorraine L. Clark

STATE OF CALIFORNIA)
COUNTY OF ANGELES) ss.

On this 17 day of MAY, 1983, before me
LORRAINE L. CLARK, a Notary Public in and for said
State, personally appeared Joseph K. Kornwasser, Attorney-in-Fact
for Jerald Friedman, personally known to me or proved to me on
the basis of satisfactory evidence to be the person who
executed the within instrument as one of the partners of
KORNWASSER & FRIEDMAN - DOWNEY MEDICAL, a partnership, said
partnership being known to me to be one of the partners of
BROOKSHIRE PARTNERS, the partnership that executed the within
instrument, and acknowledged to me that he executed the same
as one of the partners of the partnership first above named,
that said partnership executed the same as a partner of
BROOKSHIRE PARTNERS, and that said last named partnership
executed the same.

WITNESS my hand and official seal.

Signature Lorraine L. Clark



CORPORATE ACKNOWLEDGMENT

STATE OF California

STATE OF California

COUNTY OF Los Angeles ss.

On this 17th day of May, 1983, before me, Angelita C. Rodas

a Notary Public in and for said State, personally appeared Vincent M. Rosanova

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument on behalf of the corporation therein named and acknowledged to me that the corporation executed it.

WITNESS my hand and official seal.

Angelita C. Rodas
Notary Public in and for said County and State.

