

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, California 91505
Attn. Executive Director

WITH A CONFORMED COPY TO:

City of Burbank
275 East Olive Avenue
Burbank, California 91502
Attn. City Attorney

(Above Space for Recorder's Use Only
Public Agency Official Business--Recording
Fee Exempt, Gov't Code, Section 6103)

**AMENDED AND RESTATED GRANT OF
EASEMENTS, DECLARATION OF USE
RESTRICTIONS AND AGREEMENT FOR TRUST
PROPERTY**

THIS AMENDED AND RESTATED GRANT OF EASEMENTS, DECLARATION OF USE RESTRICTIONS AND AGREEMENT FOR TRUST PROPERTY (the "Restated Trust Property Easement") is made, executed and delivered as of the 15 day of March, 2005, effective on the date of recordation hereof, by and among the **BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY**, a public entity formed pursuant to the California Joint Exercise of Powers Act ("Authority"); **CITY OF BURBANK**, a municipal corporation ("City"); and **THE BANK OF NEW YORK TRUST COMPANY, N.A.**, a national banking association organized and existing under the laws of the United States of America, as trustee ("Trustee") under that certain Amended, Restated, Superseding and Combined Escrow and Trust Agreement dated as of March 15, 2005, (the "Escrow and Trust Agreement"), with reference to the following facts:

A. On June 25, 1999, the Superior Court entered a judgment in condemnation in *Burbank-Glendale-Pasadena Airport Authority v. Lockheed Corporation, et al.*, Los Angeles County Superior Court Case No. BC 155222 (the "Condemnation Action"), an eminent domain proceeding filed by the Authority to condemn for public use the real property, the portion of which has not been conveyed to a third party other than the Trustee is described in Exhibit "1" (the "B-6 Property"). On November 19, 1999, the Court entered a Final Order of Condemnation ("Final Order") containing the terms under which the condemnation proceeding concerning the B-6 Property was concluded.

B. On November 23, 1999, the Authority, the City and the Security Trust Company, as trustee (the "Original Trustee") entered into that certain GRANT OF

EASEMENTS, DECLARATION OF USE RESTRICTIONS AND AGREEMENT FOR TRUST PROPERTY ("Original Easement"), which was recorded in the official county records of Los Angeles on December 2, 1999, as Document No. 99-2219084. On February 26, 2003, the Authority, the City and the Original Trustee entered into that certain FIRST AMENDMENT TO GRANT OF EASEMENTS, DECLARATION OF USE RESTRICTIONS AND AGREEMENT FOR TRUST PROPERTY (the "First Amendment"). Thereafter, further amendments were prepared, including a SECOND AMENDMENT TO GRANT OF EASEMENTS, DECLARATION OF USE RESTRICTIONS AND AGREEMENT FOR TRUST PROPERTY (the "Second Amendment"), a THIRD AMENDMENT TO GRANT OF EASEMENTS, DECLARATION OF USE RESTRICTIONS AND AGREEMENT FOR TRUST PROPERTY (the "Third Amendment"), and a FOURTH AMENDMENT TO GRANT OF EASEMENTS, DECLARATION OF USE RESTRICTIONS AND AGREEMENT FOR TRUST PROPERTY (the "Fourth Amendment"). The Amendments allow, among other things, temporary use of portions of the Trust Property by Sunrise Ford, Inc., a Delaware corporation ("Sunrise Ford") and the Southern California Public Power Authority, a joint powers authority ("SCPPA"). The Original Easement, as amended by the First Amendment and as proposed to be amended by the Second Amendment, the Third Amendment and the Fourth Amendment, is referred to herein as "the Trust Property Easement." The parties desire to amend and restate the Trust Property Easement in this Restated Trust Property Easement.

C. Concurrently with the execution of this Restated Trust Property Easement, the Authority and the City have executed the Escrow and Trust Agreement pursuant to which the Authority and the City have agreed to the imposition of easements and restrictions on the use of the B-6 Property as set forth in this Restated Trust Property Easement and an Amended and Restated Grant of Easements, Declaration of Use Restrictions and Agreement for Adjacent Property (the "Restated Adjacent Property Easement"), also executed concurrently herewith by the Authority and the City.

D. Pursuant to the Final Order, all of the right, title and interest in a portion of the B-6 Property was conveyed to the Trustee. The Trustee subsequently conveyed a portion of the property to a private party. A map and legal description of the property currently maintained in trust by the Trustee (the "Trust Property") are contained at Exhibit "2".

E. The City is the owner of the real property legally described in Exhibit "3", situated adjacent to or in the immediate vicinity of the B-6 Property (the "City Property").

F. Pursuant to the Escrow and Trust Agreement, the Authority, the City and the Trustee desire to enter into and thereafter record, this Restated Trust Property Easement, for the purpose of establishing the use restrictions and easements provided for in the Escrow and Trust Agreement as use restrictions and easements in favor of the City and the City Property, and as covenants running with the Trust Property, or any portion thereof, and the City Property, or any portion thereof.

G. The parties intend that the easements and covenants provided for herein shall run in favor of and benefit the City, both in its capacity as a governmental body with regulatory authority over the Trust Property pursuant to its land use ordinances and regulations and the rights provided for under Public Utilities Code Section 21661.6 ("PUC Section 21661.6") and in its proprietary capacity as the owner of the City Property and other real property within its boundaries.

H. References herein to the "Authority," "the City" and "the Trustee" shall include the grantees, successors and assigns of the Authority, the City and the Trustee, as applicable.

THEREFORE, the Trust Property Easement is hereby amended and restated with respect to the Trust Property only, as of the date of recordation hereof, as follows:

1. Grant of Easements. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Trustee and the Authority grant to the City, as easements appurtenant to and for the benefit of the City Property, and in gross, for the benefit of the City in its governmental and proprietary capacities, the following easements over, in, upon and to the Trust Property (the "Trust Property Easements"): (i) the Authority may use or permit others to use no more than thirty-three (33) acres of the Trust Property for uses permitted by the Burbank Zoning Ordinance; provided, however, that this portion of the Trust Property may not be used for expansion or enlargement of the Airport or for any structure, construction or development project to expand or enlarge the Airport regardless of any potentially contrary terms of the Zoning Ordinance; and (ii) the Authority may maintain any remaining portion of the Trust Property only as passive open space, and shall not conduct or permit others to conduct any active use on that portion of the Trust Property. The Trust Property Easements shall apply to temporary as well as permanent uses; provided, however, that the Authority may conduct the following temporary activities on the Trust Property: (i) demolition of improvements and extraction of subsurface structures that exist as of the effective date or may be constructed, built, erected or placed on the Adjacent Property in accordance with this Escrow and Trust Agreement provided all such activities are diligently prosecuted to completion once any such activity is commenced; (ii) grading to a level grade promptly following the demolition and/or extraction of improvements and subsurface structures provided that the grading is diligently prosecuted to completion once it is commenced; (iii) environmental investigations and remediation expressly required by a government agency acting pursuant to its delegated authority or by a court of competent jurisdiction; and (iv) maintenance required to comply with applicable laws and regulations, trash and debris removal, mowing, weed abatement, maintenance of drainage system and runoff control systems, and dust control activities. The Authority agrees that its use of the Trust Property shall be limited as provided in this Restated Trust Property Easement notwithstanding any potentially contrary authority.

2. Use Restrictions. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Trustee declares that the Trust Property shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions, restrictions and

limitations (the "Trust Property Use Restrictions"): (i) the Authority may not use or permit others to use more than thirty-three (33) acres of the Trust Property for commercial uses and may not use or permit others to use this portion of the Trust Property for expansion or enlargement of the Airport or for any structure, construction or development project to expand or enlarge the Airport; provided, however, that the Authority may use or permit others to use this portion of the Trust Property as otherwise permitted by the Burbank Zoning Ordinance; and (ii) the Authority may not use or permit others to use the remaining portion of the Trust Property for any purpose other than passive open space. The Trust Property Use Restrictions shall apply to temporary as well as permanent uses; provided, however, that the Authority may conduct the following temporary activities on the Trust Property: (i) demolition of improvements and extraction of subsurface structures that exist as of the effective date or may be constructed, built, erected or placed on the Adjacent Property in accordance with this Escrow and Trust Agreement provided all such activities are diligently prosecuted to completion once any such activity is commenced; (ii) grading to a level grade promptly following the demolition and/or extraction of improvements and subsurface structures provided that the grading is diligently prosecuted to completion once it is commenced; (iii) environmental investigations and remediation expressly required by a government agency acting pursuant to its delegated authority or by a court of competent jurisdiction; and (iv) maintenance required to comply with applicable laws and regulations, trash and debris removal, mowing, weed abatement, maintenance of drainage system and runoff control systems, and dust control activities. In no event shall any portion of the Trust Property be used for purposes of expanding or enlarging the Airport or for any structure, construction or development project to expand or enlarge the Airport.

3. Use Restrictions Run with Land. The Trust Property Use Restrictions relate to the use, repair, maintenance or improvement of the Trust Property, shall constitute covenants running with the Trust Property and the City Property, or any portions thereof, shall constitute equitable servitudes imposed upon the Trust Property for the benefit of the City Property and the City, shall be binding upon all persons having or acquiring any right, title or interest in the Trust Property, or any portion thereof, and shall be for the benefit of the City Property and each and every successor to the City as owner of the City Property, or any portion thereof.

4. Effectiveness of Easements and Use Restrictions. The Trust Property Easements and Trust Property Use Restrictions provided for in Sections 1 and 2 hereof shall become effective immediately upon the recordation hereof, and the Trust Property shall thereafter be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the terms of this Restated Trust Property Easement.

5. Additional Documents. The Authority, the City and the Trustee shall execute, acknowledge, deliver and record such additional documents as may reasonably be required from time to time in order to effectuate fully the purposes of this Restated Trust Property Easement.

6. Enforcement. Any violation or threatened violation of this Restated Trust Property Easement may be enjoined by a court of competent jurisdiction, in addition to and not exclusive of the remedies granted by an arbitrator, as hereinafter provided.

7. Dispute Resolution Procedure.

7.1 Informal Dispute Resolution Panel. In the event that a dispute arises in connection with or respect to this Restated Trust Property Easement, any party may submit the dispute to an informal dispute resolution panel (the "Panel") consisting of one retired judge appointed by each party and another member agreed upon by the parties who shall be a professional with at least ten years' experience in land use and airport planning. The Panel shall be selected within ten (10) days after any party notifies another party that it has elected to submit the dispute to a Panel. In the event the parties are unable to agree on the additional member, then the appointed members shall select the additional member within seven (7) days after expiration of the ten (10) day period. The Panel shall meet and hold an informal hearing on the dispute within ten (10) days of appointment. Each party shall be entitled to submit a written statement of its position regarding the dispute to the Panel at or before the hearing, and each party shall be entitled to make an oral presentation to the Panel during the hearing, which presentation shall not exceed thirty (30) minutes in length. The Panel may establish rules of procedure for the administration of this process. Not later than twenty (20) days after the Panel's first meeting on the alleged default and dispute, the Panel shall propose a resolution of the parties' dispute. The Panel shall have no power to impose any resolution or specific action and its decisions shall not be binding on the parties. The parties shall review the Panel's proposed resolution and representatives of parties to the dispute shall meet at least one time within ten (10) days after issuance of the Panel's determination and proposed resolution to seek to resolve their differences over the alleged default. If the parties are unable to resolve their differences after such meeting or if one party fails to cooperate or participate in the dispute resolution process, the parties may proceed to invoke any other remedies at law or in equity (including the right to injunctive relief).

7.2 No Legal Proceedings During Alternative Dispute Resolution. In order to ensure that the alternative dispute resolution procedures of this Section are used before a court challenge over a dispute arises, the parties shall proceed in accordance with this Section and no party may proceed with any other remedies at law, equity or until the process set forth in this Section has been completed. During any period that the procedures in this Section are being complied with, the party alleged to be in default shall not be considered in default for the purposes of termination or institution of legal proceedings. If the default is cured, then no default shall exist and the noticing party shall take no further action. Notwithstanding the preceding provisions of this paragraph, nothing contained herein is intended to abrogate any party's ability to seek extraordinary relief from the courts to compel or enjoin another party's action when irreparable harm will be caused by the delay in completing the alternative dispute resolution procedures of this section, or when other grounds for extraordinary relief are

satisfied, as provided in Code of Civil Procedure Section 526 or other applicable provisions of law.

7.3 Traditional Remedies. Upon completion of the procedures contained in Subsections 7.1 and 7.2 of this Section 7, or upon the mutual written waiver of the procedures of this Section 7, any party may institute legal proceedings to seek relief for the default of another party.

8. Release or Termination of Easements and Use Restrictions.

8.1 Action by City. Upon becoming effective as provided in Section 4 hereof, the Trust Property Easements and the Trust Property Use Restrictions set forth in Sections 1 and 2 hereof shall remain in full force and effect unless and until terminated by the City. In the event that one or more of the Trust Property Easements or Trust Property Use Restrictions is terminated by the City, the City shall execute, acknowledge and cause to be recorded an appropriate instrument (the "Termination Instrument") modifying, releasing or terminating the applicable Trust Property Easement(s) or Trust Property Use Restriction(s) without the need for consent of, or authorization by, any other party, including without limitation the Authority or the Trustee.

8.2 Action Upon Sale or Disposition of the Trust Property. Upon the sale or disposition of the Trust Property or portions of the Trust Property by the Trustee to a party unrelated to the Authority or the City in accordance with the terms of the Escrow and Trust Agreement and the Final Order, the City shall execute and cause to be recorded a Termination Instrument in favor of the purchaser sufficient to terminate all Trust Property Use Restrictions and Trust Property Easements created under this Restated Trust Property Easement for the parcels conveyed, except as provided in Section 8.3 hereof.

8.3 Trust Property Easements and Trust Property Use Restrictions Prohibiting Use of Trust Property For Purposes of Expanding or Enlarging the Airport. In no event shall the City be required to release or terminate the Trust Property Easements and Trust Property Use Restrictions set forth in Sections 1 and 2 hereof, prohibiting the use of any portion of the Trust Property for purposes of expanding or enlarging the Airport or for any structure, construction or development project to expand or enlarge the Airport.

9. Attorneys' Fees. In any action or proceeding for the enforcement or interpretation of this Restated Trust Property Easement, the prevailing party shall be awarded, in addition to taxable costs, damages, injunctive or other relief, its actual costs and expenses incurred in such action or proceeding, including but not limited to, its reasonable attorneys' fees.

10. Construction with Prior Agreements, Severability. This Restated Trust Property Easement completely supersedes and restates the Trust Property Easement. If any provision, paragraph, or subparagraph of this Restated Trust Property

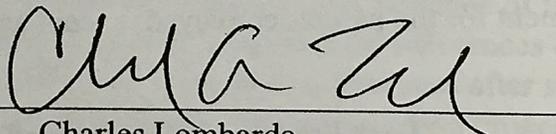
Easement is adjudged by any court to be invalid, illegal, or unenforceable in whole or in part, the adjudication will not affect the validity of the remainder of this Restated Trust Property Easement, including any other provision, paragraph, or subparagraph.

11. Substitution of Trustee. Whether or not LaSalle Bank National Association shall have executed this Trust Property Easement, the City Manager of the City and the Executive Director of the Authority may substitute another entity for La Salle Bank National Association (or for any successor trustee) as "Trustee" hereunder by recording a Substitution of Trustee executed by the City Manager of the City and the Executive Director of the Authority. Promptly after the written request of the City Manager of the City and the Executive Director of the Authority (which may be made prior to the recordation of a Substitution of Trustee), LaSalle Bank National Association (or any successor trustee, as applicable) shall execute, acknowledge and deliver all commercially reasonable documents and deeds necessary or convenient to accomplish such substitution and to vest title to the Trust Property then held by the then-current Trustee to the new, substituted Trustee.

IN WITNESS WHEREOF, the parties have executed this Restated Trust Property Easement as of the effective date first set forth above.

"Authority"

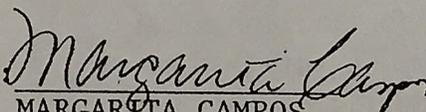
**BURBANK-GLENDALE-PASADENA AIRPORT
AUTHORITY**, a public entity formed pursuant to the
California Joint Exercise of Powers Act

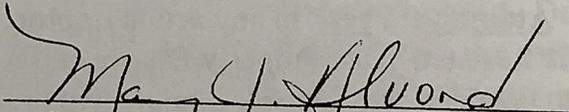
By: 
Charles Lombardo
Its: President

"City"

CITY OF BURBANK, a municipal corporation

ATTEST:

BY: 
MARGARITA CAMPOS
CITY CLERK

By: 
Mary Alvord
Its: City Manager

