

RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:

CAM-Carson LLC
c/o The Macerich Company
401 Wilshire Boulevard, Suite 700
Santa Monica, CA 90401
Attn: Ann C. Menard, Esq.

APN 7336-010-904

SPACE ABOVE THIS LINE FOR RECORDER'S USE

CONSTRUCTION DEED OF TRUST, ASSIGNMENT OF RENTS AND FUNDING RECOVERY AND LIEN AGREEMENT

This **CONSTRUCTION DEED OF TRUST, ASSIGNMENT OF RENTS AND FUNDING RECOVERY AND LIEN AGREEMENT** (this “**Instrument**”) is made as of July 5, 2018, by **CARSON RECLAMATION AUTHORITY**, a California joint powers authority (“**Authority**”), having an address at 701 East Carson Street, Carson, California 90745, Attention: Executive Director, to **COMMONWEALTH LAND TITLE INSURANCE COMPANY**, a Florida corporation (“**Trustee**”), having an address at 888 Figueroa Street, Suite 2100, Los Angeles, California 90017, for the benefit of **CAM-CARSON LLC**, a Delaware limited liability company, having its principal mailing address and place of business c/o The Macerich Company, 401 Wilshire Boulevard, Suite 700, Santa Monica, California 90401, Attn: Ann C. Menard, Esq. (“**Developer**”).

RECITALS

- A. **The 157 Acre Site.** Authority is the owner of approximately 157 gross acres of real property in the City of Carson, California (the “**157 Acre Site**”), as shown on Exhibit A hereto.
- B. **Vertical Subdivision.** The 157 Acre Site has been vertically subdivided into a surface lot (the “**Surface Lot**”) and a subsurface lot (the “**Subsurface Lot**”), which lots are described as Parcels 1 (Subsurface Lot) and 2 (Surface Lot) of Parcel Map No. 70372 recorded in the Official Records of Los Angeles County, California (“**Official Records**”).
- C. **Horizontal Division.** The 157 Acre Site is divided for administrative purposes into five “Cells”, as shown on Exhibit A hereto.
- D. **Cell 2 Surface Lot.** Pursuant to that certain Conveyancing Agreement between Authority and Developer, dated as of July 5, 2018 (the “**Conveyancing Agreement**”), Authority has agreed to convey to Developer a portion of the Surface Lot of Cell 2 containing approximately 41 acres, as more particularly described on Exhibit B hereto (the “**Cell 2 Surface Lot**”) for the purpose of developing thereon of a first-class regional fashion outlet shopping center. Authority will retain all portions of the Cell 2 Site located below the Cell 2 Surface Lot (the “**Cell 2 Subsurface Lot**”).
- E. **Developer Advances.** Pursuant to the Conveyancing Agreement, the Developer has agreed to advance to Authority certain “Offsite Advances,” in the amount of up to Ten Million Dollars

(\$10,000,000), and “Site Development Advances,” anticipated to be approximately Sixty Million Dollars (\$60,000,000), as described and defined in the Conveyancing Agreement, on the terms and conditions set forth therein.

- F. **Repayment of Developer Advances.** Under certain circumstances more particularly described in Sections 16.2 and 17.6 of the Conveyancing Agreement, Authority is required to repay to Developer the Offsite Advances and Site Development Advances to the extent actually made, with interest thereon (the “**Total Recovery Amount**”).
- G. **Refund of Deposit and Carry Costs.** Under certain circumstances more particularly described in Sections 2.1, 11.3, 12.2, 16.2, 17.6, 18, 19.2 and 19.3 of the Conveyancing Agreement, Authority will be required to refund to Developer all or portions of certain “Carry Costs” heretofore paid and hereafter to be paid by Developer to Authority, and a Four Million Dollar (\$4,000,000) “Deposit” deposited with Authority by Developer, all as described and defined in the Conveyancing Agreement (the “**Deposit and Carry Costs Refund**”).

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged:

1. **GRANT OF LIEN UPON THE CELL 2 SURFACE LOT.** Authority irrevocably mortgages, grants, bargains, sells, transfers and assigns to Trustee IN TRUST, WITH POWER OF SALE, for the benefit of Developer, that certain real property located in Carson, California, more particularly described on Exhibit B hereto (“**Property**”), for the purpose of securing Authority’s obligations to pay to Developer the Total Recovery Amount and refund the Deposit and Carry Costs Refund, subject, in each case, to the terms and conditions relating thereto in the Conveyancing Agreement.
2. **AUTHORITY AGREEMENTS REGARDING THE CELL 2 SURFACE LOT.** To protect the security of this Instrument, Authority shall not sell, lease, encumber or otherwise transfer the Cell 2 Surface Lot or any portion thereof or interest therein without Developer’s consent prior to the Closing.
3. **ADDITIONAL AGREEMENTS REGARDING THIS INSTRUMENT.** Authority further agrees, and by accepting this Instrument Developer agrees:

3.1 That upon payment in full of all sums secured hereby, or passage of the time within which any such sums could become due, upon written request of Developer, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as “the person or persons legally entitled thereto.”

3.2 That, subject to the terms and provisions of the Conveyancing Agreement, including, without limitation, the provisions of Sections 2.1, 11.3, 12.2, 16.2, 17.2, 17.3, 17.6, 18, and 19.2 of the Conveyancing Agreement, provided that Developer is not in default of any of its obligations under the Conveyancing Agreement, from and after any default hereunder or under Authority’s obligations described in Section 1 above: [need to discuss Dave’s proposed elimination of stad lien provisons below]

3.2.1 Developer or Trustee may, but shall have no obligation to, at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney’s fees, upon any indebtedness secured hereby, and in such order as Developer may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the

application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3.2.2 Developer may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record.

3.2.3 After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee without demand on Authority, may sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Authority, Trustee or Developer, may purchase at such sale.

3.3 That after deducting all costs, fees and expenses of Trustee and of this trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

3.4 That Developer, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to Trustee named herein or acting thereunder, which instrument, executed by the Developer and duly acknowledged and recorded in the Official Records, shall be conclusive proof of proper substitution of such successor Trustee, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of Authority, Trustee and Developer hereunder, the book and page where this Instrument is recorded and the name and address of the new Trustee.

3.5 That this Instrument runs with the land encumbered hereby, and applies to, inures to the benefit of, and binds all parties hereto, their administrators, executors, successors, and assigns. The term Developer shall mean the owner and holder, including pledgees, of the obligations secured hereby, whether or not named herein. In this Instrument, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

3.6 That the Trustee accepts this Trust when this Instrument, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Authority, Developer or Trustee shall be a party unless brought by Trustee.

3.7 Authority requests that a copy of any notice of default and any notice of sale hereunder be mailed to it at its address hereinabove set forth, with a copy to: Aleshire & Wynder LLP, 18881 Von Karman Avenue, Suite 1700, Irvine, CA 92612, Attention: Sunny Soltani, Esq.

3.8 Without limiting any other rights or remedies of Developer set forth in this Instrument or the Conveyancing Agreement, or available at law or in equity, upon the occurrence and during the continuance of a default, Developer shall have the right to enforce all of the rights and remedies of an assignee under Section 2938 of the California Civil Code.

3.9 All capitalized terms used, but not otherwise defined herein shall have the meanings ascribed to such terms in the Conveyancing Agreement.

3.10 The terms and provisions of the Conveyancing Agreement are incorporated herein in full by this reference. In the event of any conflict between the terms and provisions of this Instrument and the Conveyancing Agreement, the terms of the Conveyancing Agreement shall supersede the terms of this Instrument.

AUTHORITY:

CARSON RECLAMATION AUTHORITY, a joint powers authority
of the State of California

By: _____
Albert C. Robles, Chairman

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

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

On July __, 2018, before me, _____, Notary Public, personally appeared Albert C. Robles, who proved to me on the basis of satisfactory evidence-to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

EXHIBIT A

157 ACRE SITE AND DIVISION INTO CELLS

EXHIBIT B

LEGAL DESCRIPTION AND DRAWING OF CELL 2 SURFACE LOT