AMENDED AND RESTATED EXCLUSIVE NEGOTIATION AGREEMENT

(Broadway Mixed Use Project - Residential/Boys and Girls Club)

THIS AMENDED AND RESTATED EXCLUSIVE NEGOTIATION AGREEMENT (Broadway Mixed Use Project - Residential/Boys and Girls Club) (this “Amended ENA”) dated for purposes of identification only as of March 1, 2008 (the “Date of Amended ENA”), is entered into by and between the CITY OF ANAHEIM, a California municipal corporation and charter city (the “City”) and the ANAHEIM REDEVELOPMENT AGENCY, a public body, corporate and politic (the “Agency” and jointly with the City, “Anaheim”), on the one hand, and BROOKFIELD SOUTHLAND HOLDINGS LLC, a Delaware limited liability company (“Brookfield”), the BOYS AND GIRLS CLUBS OF ANAHEIM, a California non-profit corporation (“BGC”), and the ANAHEIM POLICE ACTIVITIES LEAGUE, a California non-profit corporation (“APAL” and collectively with Brookfield and BGC, the “Developer”), on the other hand.

RECITALS:

A. Agency and Brookfield (the “Original Parties”) entered into that certain Exclusive Negotiation Agreement (Broadway Street) dated as of September 1, 2006 (the “Original ENA”) pursuant to which Agency and Brookfield explored the feasibility of Developer acquiring fourteen (14) Agency-owned parcels comprising approximately four (4) acres (the “Original Site”) for development as a mixed-use project consisting of residential, retail and community uses (the “Original Project”). The community uses contemplated by the Original Parties included BGC, APAL and the Anaheim Family YMCA (the “YMCA”).

B. The Original ENA expired in January of 2007; however, Anaheim, the Developer and the YMCA continued to discuss the feasibility of the Original Project and concluded that (i) the Original Site should be expanded to include a City-owned parcel (the “City Parcel”), and (ii) the feasibility of the Original Project should be examined as two projects pursuant to two negotiation agreements.

C. Accordingly, Anaheim, the Developer and the YMCA contemplate that (i) the Agency and the YMCA will enter into an Exclusive Negotiation Agreement (the “YMCA ENA”) with respect to the development of a YMCA athletic facility and various public improvements (the “YMCA/Agency Project”) on a portion of the Original Site (the “YMCA Site”), and (ii) Anaheim and the Developer will enter into this Amended ENA with respect to the development of a mixed-use project consisting of residential, retail and community uses (hereinafter defined in Section 2 as the “Project”) on another portion of the Original Site and the City Parcel (collectively, hereinafter defined as the “Site”). The Site and the YMCA Site are delineated on the attached Preliminary Site Plan (Attachment No. 1).

D. The purpose of this Amended ENA is to establish a time period during which Anaheim and Developer (each, a “Party” and collectively, the “Parties”) shall negotiate with the intent to draft and execute more detailed documents dealing with the Project and any other related items including, but not limited to, two “Definitive Agreements”: (i) a Disposition and Development Agreement regarding the conveyance of a fee interest in a
portion of the Site (the “Residential Parcel”) at fair market value for purposes of
residential development (the “DDA”), and (ii) a Ground Lease Agreement regarding the
conveyance of a leasehold interest in the remaining portion of the Site (the “BGC
Parcel”) for purposes of developing and operating a Boys and Girls Club (the “BGC
Lease”). The matters contained herein shall not be construed as final commitments by
any Party but to state generally the basis upon which they intend to negotiate the
Definitive Agreements for the development and use of the Site. Developer understands
that all of the improvements to be developed shall be subject to all of the requisite
procedures in the City’s review and approval process.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES,
COVENANTS AND CONDITIONS CONTAINED HEREIN, ANAHEIM AND THE
DEVELOPER AGREE AS FOLLOWS:

Section 1. Negotiating Period. The Parties agree to negotiate diligently and in good faith
with one another for a one-hundred eighty (180) day period commencing upon the Effective Date
of this Amended ENA (the “Negotiating Period”), in order to agree upon a mutually acceptable
Definitive Agreements.

The Parties, by written agreement may extend the Negotiating Period for up to two (2)
additional periods of thirty (30) days each. The term “Negotiating Period” as used herein shall
include any extensions of such Negotiating Period pursuant to this Section 1.

If a Definitive Agreement acceptable to the applicable Parties is executed and submitted
by such applicable party within the Negotiating Period, then the term of the Negotiating Period
and this ENA shall automatically be extended as to the applicable Parties for a period of forty-
five (45) days from the date of such submittal to enable the Agency’s staff to take and coordinate
the actions necessary to bring such Definitive Agreement before the Governing Board of the
Agency and the City Council of the City for consideration, action, and authorization to execute if
approved by such entities.

Section 2. Project. The Project is part of the Broadway Mixed Use development and
consists of construction of a mixed use development consisting of residential units, a Boys and
Girls Club facility with ancillary APAL facilities, along with certain other public improvements,
including infrastructure and public open space and a reconfiguration of streets, sidewalks and
public parking areas, as further described in the attached Scope of Work (Attachment No. 2).
The Parties anticipate that the Definitive Agreements will include a major milestone Schedule of
Performance, subject to force majeure, for processing the Project through its entitlements and
land take down. The Parties further anticipate that the Project entitlement process will include,
but will not be limited to, a General Plan Amendment, conditional use permit(s), zoning
reclassifications, and compliance with the California Environmental Quality Act.
Section 3. Scope of Development. The Project is composed of three elements:

A. Residential

i. Proposed Development. The Residential element contemplates Brookfield constructing a two-phase residential development on the Residential Parcel of between approximately 60 and 100 residential units.

ii. Disposition of Fee Interest in Residential Parcel to Brookfield. The Parties will use reasonable good faith efforts to obtain approval and execution of a DDA in accordance with the California Community Redevelopment Law (Health & Safety Code §§33000 et seq.) providing for sale by the Agency of the Residential Parcel to Brookfield at fair market value upon satisfaction of certain conditions precedent including, but not limited to, evidence of construction financing, evidence of equity financing, evidence of required insurance policies, and evidence of all project approvals necessary to commence construction on the Site.

B. Boys and Girls Club

i. Proposed Development. The Boys and Girls Club element contemplates Developer constructing a Boys and Girls Club facility (“BGC Facility”) on Parcel C. The BGC Facility will share a facility common wall with the City’s Youth Center and allow for reciprocal access. The Parties agree to explore the use of “green building” practices in the design and construction of the BGC Facility in order to reduce the environmental impacts of the development. Developer will further review and analyze potential opportunities for assistance from the City’s Public Utilities Department with respect to such “green building” design and construction. The BGC Facility is anticipated to be approximately 28,023 square feet and is currently estimated to cost $8.9 million.

ii. Disposition of Leasehold Interest in Parcel C. City, Agency, Developer and BGC will use reasonable good faith efforts to obtain approval and execution of the BGC Lease providing for (i) the conveyance of a 55 year leasehold interest in Parcel C to Developer for the purpose of constructing the BGC Facility, and (ii) upon completion of the BGC Facility, the assignment of Developer’s leasehold interest to BGC for purposes of operating the BGC Facility as a Boys and Girls Club. Rental payments will be based on fair reuse value that the Parties anticipate will be nominal. The BGC Lease will provide for construction costs reimbursement to Developer consistent with Section 3.B.iv and .v below, reasonable cooperation, reciprocal access, and joint use activities with the adjacent City’s Youth Center. BGC shall be responsible for all operating and program costs, taxes, insurance, utilities, BGC equipment, interior paint and carpeting, and day to day custodial services. City will be responsible for maintaining the outside grounds of Parcel C, building repairs, exterior maintenance, and “major building systems” (as may be defined based on the parties’ negotiations in connection with the BGC
Lease). The BGC Lease will not allow for assignment or subleases of the leasehold interest except for the assignment from the Developer to BGC and APAL Sublease (as noted below). All improvements shall become property of the City upon termination of the BGC Lease.

iii. Sublease to APAL. The BGC Lease will provide for a tenant sublease in favor of APAL allowing for occupancy of a limited portion of the BGC Facility by APAL during BGC Lease term (the “APAL Sublease”).

iv. Project Financing – BGC Facility. Conditions requiring adequate evidence of financing for the BGC Facility shall be provided for in the BGC Lease. Developer anticipates donating goods and/or services towards pre-development and/or construction of the BGC Facility at a value to be determined. Agency anticipates providing $3,500,000 in financial assistance for the reimbursement of actual construction costs of the BGC Facility. BGC shall be responsible for funding the remainder of the pre-development and construction costs, including any cost overruns. The Parties anticipate that construction of the BGC Facility will be subject to prevailing wage requirements.

v. BGC’s Required Evidence of Financing – Definitive Agreement Approval and Conveyance. Anaheim’s approval of the Definitive Agreement will be conditioned upon the BGC establishing that it has received pledges or other financing commitments equal to 30% of the estimated cost of the BGC Facility. Within six months of the effective date of the Definitive Agreement, BGC shall establish that it has received pledges or other financing commitments equal to 60% of the estimated cost of the BGC Facility. As a condition precedent to the conveyance of the leasehold interest under the BGC Lease and commencement of construction of the BGC Facility as contemplated herein, BGC shall present a financing plan establishing that it has received pledges and other financing commitments sufficient to fully fund construction of the BGC Facility. Reimbursement of construction costs related to the BGC Facility shall be administered through an escrow account as provided in Section 4.

vi. Relocation of Existing Boys and Girls Club Facility. An existing Boys and Girls Club facility currently operates within the Site. Prior to the commencement of any development activities impacting the existing Boys and Girls Club facility, City and Agency will assist BGC in identifying a potential site within city limits for BGC to temporarily relocate its facility.

vii. Design Expenses. For purposes of securing entitlements for the BGC Facility, Brookfield shall bear the costs of preparing initial concept drawings for the BGC Facility; BGC shall bear the costs of preparation of all other construction documents related to the BGC Facility.
C. Public Improvements

i. **Development.** The Public Improvements element contemplates the construction of various public improvements, infrastructure and public open space and a reconfiguration of streets, sidewalks and public parking within Parcel E.

ii. **Transfer of Parcel E to City.** Agency will transfer Parcel E to City by way of a standard cooperation agreement in a form approved by the City Attorney/Agency Counsel.

iii. **Reimbursement to Developer.** Developer, City and Agency will use reasonable good faith efforts in considering a construction and/or reimbursement agreement with respect to the Public Improvement element in which Developer shall construct all of the Public Improvements. Such reimbursement agreement may be incorporated into the Definitive Agreement(s).

Section 4. **Escrow.** The Parties agree to provide for an “Escrow Account,” upon the occurrence of certain conditions precedent, to be funded by the monetary contributions as generally provided in Section 3 and drawn upon by the Developer to defray construction costs related to the BGC Facility. Disbursements from an Escrow Account shall be subject to the reasonable review and approval by the Agency and BGC for costs related to the BGC Facility.

Section 5. **Parking.** The Parties acknowledge that the entitlement process will include a comprehensive analysis of the parking requirement. In connection with the negotiation of the BGC Lease and the APAL Sublease, Anaheim will reasonably consider licensing use of parking spaces within the City Hall East Parking Structure and/or the 235 Center Street Parking Structure for use by patrons and employees of BGC and APAL. The number of licensed spaces shall be based on the parking analysis consistent with the entitlements and BGC shall also contribute its pro-rata share of operating and maintenance costs associated with the aforementioned parking structures.

Section 6. **Development Approach.** It is anticipated that the Developer will serve as both the land development entity and as a vertical developer. As the land developer, the Developer shall, consistent with the Definitive Agreements, work cooperatively with Anaheim to obtain all necessary entitlements and insure that appropriate infrastructure and streetscape improvements are constructed for the Project.

Section 7. **Schedule.** The Parties agree to use reasonable good faith efforts to complete the entitlement and approval process as set forth in the Preliminary Schedule (Attachment No. 3). The Preliminary Schedule is subject to revision from time to time as mutually agreed upon in writing between the Developer and the Executive Director, and the Executive Director is authorized to make such revisions as she deems reasonably necessary.

Section 8. **Environmental Indemnification.** Anaheim and the Developer agree to cooperate in securing Phase I and Phase II (if necessary) environmental reports on the Site. The Developer agrees to commence investigations within ninety (90) days of the execution of this Amended
ENA. Based on the completed Phase I and Phase II environmental reports, the Parties will, in good faith, negotiate mutually acceptable environmental indemnities.

Section 9. Conditions to Entry Upon the Site. Prior to the commencement of the Definitive Agreements, Developer shall only enter the Site after executing a Right of Entry Agreement in a form approved by the City Attorney/Agency Counsel.

Section 10. Notices. Any notices, requests or approvals given under this Agreement from one party to another shall be in writing and shall be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, by certified mail, return receipt requested, to the addresses of the other party as stated in this Section, and shall be deemed to have been received at the time of personal delivery or three (3) days after the date of deposit for mailing. Notices shall be sent to:

If to City: City Clerk
City of Anaheim
200 S. Anaheim Boulevard, 2nd Floor
Anaheim, California 92805
FAX No. (714) 765-4105

If to Agency: Agency Secretary
Anaheim Redevelopment Agency
200 S. Anaheim Boulevard, 2nd Floor
Anaheim, California 92805
FAX No. (714) 765-4105

With copies to: Elisa Stipkovich, Executive Director
Anaheim Redevelopment Agency
201 S. Anaheim Boulevard, 10th Floor
Anaheim, California 92805
FAX No. (714) 765-4630

John E. Woodhead, Assistant City Attorney
City of Anaheim
200 S. Anaheim Boulevard, 3rd Floor
Anaheim, California 92805
FAX No. (714) 765-4630

If to Developer: Brookfield Southland Holdings LLC
c/o Brookfield Homes
3090 Bristol Street, Suite 200
Costa Mesa, California 92626
Attention: Adrian Foley, President
FAX No. (714) 427-6870
If to BGC: Boys and Girls Clubs of Anaheim
311 East Broadway
Anaheim, California 92805
Attention: Michael Baker, Executive Director
FAX No. (714) 491-3950

If to APAL Anaheim Police Activity League
425 S. Harbor Blvd
Anaheim, California 92805
Attention: Director
FAX No. (714) 533-8219

Section 11. Governing Law. This Amended ENA shall be governed by the laws of the State of California. Any legal action brought under this Amended ENA must be instituted in the Superior Court of Orange County, State of California, in an appropriate court in that county, or in the Federal District Court in the Central District of California.

Section 12. Attorneys’ Fees. In the event of a dispute between the Parties with respect to the terms or conditions of this Amended ENA, the prevailing party shall be entitled to collect from the other its reasonable attorneys’ fees as established by the judge or arbitrator presiding over such dispute.

Section 13. Interpretation. This Amended ENA shall be interpreted as a whole and in accordance with its fair meaning and as if each party participated in its drafting. Captions are for reference only and are not to be used in construing meaning.

Section 14. Real estate commissions. Each of the Parties represents and warrants to the other Parties that no real estate commission, broker fees, or finder fees which may accrue by means of the acquisition of an interest in the Site is due to any person, firm or entity except as set forth above; each party agrees to indemnify and hold the other Parties harmless with respect to any judgment, damages, legal fees, court costs, and any and all liabilities of any nature whatsoever arising from a breach of such representation.

Section 15. Additional Amendments. No modification, rescission, waiver, release or amendment of any provision of this Amended ENA shall be made except by a written agreement executed by all of the Parties.

Section 16. Counterparts. This Amended ENA may be executed in any number of counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one and the same instrument.

Section 17. Effective Date. The Amended ENA shall take effect immediately upon the execution of this Amended ENA by the Agency’s Executive Director.
IN WITNESS WHEREOF, the Parties hereto have executed this Amended ENA on the respective dates set forth below.

“DEVELOPER”

BROOKFIELD SOUTHLAND HOLDING LLC
a Delaware limited liability company

Dated: ____________________________  By: ____________________________

a ____________________________,
Its managing member

By: ____________________________
Its: ____________________________

“BGC”

BOYS AND GIRLS CLUBS OF ANAHEIM,
a California non-profit corporation

Dated: ____________________________  By: ____________________________

“APAL”

ANAHEIM POLICE ACTIVITIES LEAGUE,
a California non-profit corporation

Dated: ____________________________  By: ____________________________

Cathy Dutton-Meyers
Board President

“CITY”

CITY OF ANAHEIM,
a municipal corporation

Dated: ____________________________  By: ____________________________

DAVID M. MORGAN,
City Manager
ANAHEIM REDEVELOPMENT AGENCY, a public body, corporate and politic

Dated: ___________________________  By: ___________________________

ELISA STIPKOVICH,
Executive Director

ATTEST:

LINDA N. ANDAL, CITY CLERK/AGENCY SECRETARY

By: ___________________________

LINDA N. ANDAL

APPROVED AS TO FORM:

JACK L. WHITE, CITY ATTORNEY

By: ___________________________

JOHN E. WOODHEAD IV
Assistant City Attorney
SCOPE OF WORK

As part of the Broadway Mixed Use Project, Brookfield Homes and the Boys and Girls Club/Anaheim Police Activities League (“APAL”) shall construct or cause the construction of the following improvements:

Boys and Girls Club/APAL:

The Boys and Girls Club/APAL and Brookfield Homes shall construct an approximately 29,000 s.f. City owned building to be leased and occupied by the Boys and Girls Club and APAL. The new facility would include classroom space, gym, art center, community room and other related space. The Boys and Girls Club facility would include ancillary office space for APAL.

Brookfield Homes:

Brookfield Homes shall construct approximately 60 to 100 homes on the southeast portion of the site. The units shall include on-site parking and amenities. The Agency shall approve the site plan, floor plans and elevations associated with the residential component of the project by Brookfield Homes.
## ATTACHMENT NO. 3
### PRELIMINARY SCHEDULE

<table>
<thead>
<tr>
<th>No.</th>
<th>Provision/Description</th>
<th>Schedule/Timing</th>
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<tbody>
<tr>
<td>1.</td>
<td>Negotiating Period. Both the Boys and Girls Club and the Agency agree to negotiate</td>
<td>Commencing upon the effective date of the Exclusive Negotiating Agreement.</td>
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<td></td>
<td>diligently for a one hundred and eighty (180) day period.</td>
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<td>2.</td>
<td>Building Area. Both the Boys and Girls Club and the Agency will agree on the square</td>
<td>No later than ninety (90) days after the execution of the Exclusive Negotiation</td>
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<td>footage and building footprint of the Boys and Girls Club facility.</td>
<td>Period.</td>
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<td>3.</td>
<td>Extension of Negotiating Period. Should both parties be in agreement, the negotiating</td>
<td>Both parties must agree in writing no later than five (5) days prior to the</td>
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<td>period may be extended for up to two (2) additional periods of thirty (30) days each.</td>
<td>expiration of the Negotiating Agreement.</td>
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<td>4.</td>
<td>Design Submittal. The Boys and Girls Club shall submit to the Agency concept</td>
<td>No later than ninety (90) days after the execution of the Exclusive Negotiation</td>
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<td>architectural drawings, including a site plan, elevations plans and floor plans.</td>
<td>Agreement.</td>
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<td>5.</td>
<td>Financing Plan. The Boys and Girls Club shall provide the Agency with a list potential</td>
<td>No later than thirty (30) days after the execution of the Exclusive Negotiation</td>
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<td>fundraising and milestones for obtaining project contributions.</td>
<td>Agreement.</td>
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<td>6.</td>
<td>Evidence of Fundraising. The Boys and Girls Club shall provide the Agency with evidence</td>
<td>No later than thirty (30) days prior to the expiration of the Exclusive</td>
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<td>of 30% of funding required to build the project.</td>
<td>Negotiation Agreement.</td>
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<td>7.</td>
<td>Scope of Development. The Boys and Girls Club shall submit a Project Scope of</td>
<td>No later than ninety (90) days after the execution of the Exclusive Negotiation</td>
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<td>Development for the Boys and Girls Club Facilities to the Agency for review and</td>
<td>Agreement.</td>
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<td>approval.</td>
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<td>No.</td>
<td>Provision/Description</td>
<td>Schedule/Timing</td>
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<td>8.</td>
<td><strong>Land Use Entitlements.</strong> The Agency shall initiate the process for the land use entitlements required for the Project.</td>
<td>No later than ninety (90) days after the execution of the Exclusive Negotiating Agreement.</td>
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<td>9.</td>
<td><strong>Scope of Public Improvements.</strong> Agency to determine scope of public improvements and costs.</td>
<td>No later than one hundred fifty (150) days after the execution of the Exclusive Negotiating Agreement.</td>
</tr>
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<td>10.</td>
<td><strong>DDA.</strong> A Disposition and Development Agreement shall be drafted, reviewed and approved by both the Boys and Girls Club the Agency.</td>
<td>No later than 45 days after the expiration of the Exclusive Negotiating Agreement.</td>
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