

TERM SHEET

COLISEUM AND SPORTS ARENA LEASES/PARKING LOT PARCELS

This Term Sheet is intended to address the proposed resolution of certain matters pertaining to (a) Coliseum Lease dated January 3, 1956 between the State of California Sixth District Agricultural Association (also known as the California Science Center) ("**District**"), as lessor, and Los Angeles Memorial Coliseum Commission ("**Commission**"), as lessee (as amended, the "**Coliseum Lease**"); (b) Sports Arena Lease, Agreement and Easement dated January 3, 1956 between the District, as lessor, and the Commission, as lessee (as amended, the "**Sports Arena Lease**" and collectively with the Coliseum Lease, the "**District/Commission Leases**"); (c) the proposed Amended and Restated Lease and Agreement ("**A&R Commission/USC Lease**") between the Commission and University of Southern California ("**USC**"); (d) ownership and other related parking matters pertaining to certain real property parcels owned by the Commission in Parking Lot 1 and Parking Lot 3 / Jesse Brewer Park (the "**Commission Parcels**"); and (e) certain parking matters pertaining to North/South Coliseum Drive.

1. Amendments to District/Commission Leases. The District/Commission Leases will be amended as follows:

1.1 Waiver of Rent. In consideration of the conveyance by Commission to District of the Commission Parcels as provided below and the other agreements set forth in this Term Sheet, all rent payable by Commission to District for the period of July 1, 2012 through the date preceding the "Commencement Date" under the A&R Commission/USC Lease shall be waived and any default pertaining to such rent shall be considered to have been cured, provided, however, this provision shall only be effective if the Commencement Date occurs on or before December 31, 2013.

1.2 Direct Payment of Rent. Commencing on the Commencement Date under the A&R Commission/USC Lease and continuing during the remaining term of the A&R Commission/USC Lease, the rent payable by Commission under the District/Commission Leases shall be paid directly by USC to District on Commission's behalf and District shall accept such direct payment. The District will submit rent invoices under the District/Commission Leases jointly to the Commission and USC 60 days in advance of the due date.

1.3 Participation Rent under A&R Commission/USC Lease. In accordance with Section 4.3 of the A&R Commission/USC Lease, the Commission is required to use all amounts of the Commission's share of the Cumulative Calculated Amount paid by USC to the Commission for only the following purposes: (i) the funding of any reasonable operating expenses of the Commission that are not paid by USC pursuant to Section 4.4 of the A&R Commission/USC Lease; and (ii) the funding of facilities and programs benefiting or enhancing Exposition Park. The Commission agrees that all such amounts received by the Commission that are not required for operating expense purposes pursuant to clause (i) above shall be

delivered by the Commission to the Exposition Park Improvement Fund (or successor fund as established by the District) on or before December 31 of each year. All such amounts delivered by Commission shall be deposited and maintained by the District in an interest-bearing restricted account of the Exposition Park Improvement Fund. The District shall provide the Commission with an annual report of the balance, earnings and expenditures of such restricted account not later than June 30 of each year. The Commission shall have the right to approve any use of the funds in such restricted account.

1.4 Olympic Statues. The lease amendment to the Coliseum Lease shall confirm that the two Olympic statues donated to the District by the Los Angeles Olympic Organizing Committee (“*LAOOC*”) in June 1984 and permanently installed in the peristyle plaza area of the Coliseum are included as part of the premises leased to the Commission under the Coliseum Lease.

1.5 Limitation on Number of Major Events. The District/Commission Leases shall be amended to limit the number of events held at the Coliseum or Sports Arena (or any replacement development) for which the attendance exceed 25,000 persons (“*Major Events*”) to a maximum of twenty-five (25) Major Events in the aggregate during any calendar year; provided, however, that the following events shall not constitute Major Events regardless of attendance: (A) the Olympics, the Special Olympics and the Super Bowl, and (B) Commission Events (as defined in the A&R USC/Commission Lease) during the time period that a National Football League team is hosting football games at the Coliseum on a temporary basis while a permanent facility is being constructed for such team, which time period shall in no event exceed four (4) years.

1.6 Exercise of Sports Arena Termination Right. Section 12.2 of the A&R Commission/USC Lease affords the Commission certain rights to terminate the A&R Commission/USC Lease with respect to the Sports Arena Property under the A&R Commission/USC Lease if USC ceases operation of the Sports Arena other than for redevelopment purposes, or if USC ceases operation of the Sports Arena for redevelopment purposes but USC fails to commence the redevelopment work within 24 months after entering into a binding redevelopment commitment. The Commission shall not exercise either of the foregoing termination rights without the District’s consent unless the Commission is able to demonstrate evidence of a reasonably creditworthy source for the payment to the District of the rent payable to the District under the Sports Arena Lease following such termination.

2. Transfer of Commission Parcels.

2.1 Description of Commission Parcels. The Commission Parcels consist of the following five parcels: (a) 3777-3781 Menlo Avenue (Lots 22 and 26 of Map Book 4, Page 352-MR); (b) 3987 Menlo Avenue (Lot 24 and the northerly 24 feet of Lot 126 of Map Book 4, Page 352-MR); (c) 3789 Menlo Avenue (Lot 30 and Lot 34 of Map Book 4, Page 352-MR); (d) 3990 S. Vermont Avenue (Lot 125 and Lot 127 of Map Book 4, Page 352-MR); and (e) 901 W. Martin Luther King, Jr. Blvd. (Lot 7 and Lot 8 of Tract 2411, Map Book 26, Pages 77-29).

2.2 Transfer by the Commission to the District. In consideration of the other agreements set forth in this Term Sheet, the Commission shall convey the Commission Parcels to the District for the sum of \$1. The District shall be responsible for all costs and expenses incurred to consummate such transfer, including any title, escrow, recordation, transfer or attorneys' fees or costs. The Commission Parcels do not include the freeway sign property owned by the Commission at 3843 S. Grand Avenue. Such property shall be retained by the Commission and is part of the premises leased to USC under the A&R Commission/USC Lease.

3. Exposition Park Parking Lot 3 Revenue-Sharing Agreement. In consideration of the other agreements set forth in this Term Sheet, the Commission agrees to waive any claim for additional payments due from the District under the Parking Lot 3 Revenue Sharing Agreement dated August 6, 1997 (or any extension or renewal of same) after the last payment made by the District in 2008. Neither party shall have any further payment obligations to the other party under such agreement or any other past agreement concerning use of the Commission Parcels or the parking referenced in the Parking Lot 3 Revenue Sharing Agreement.

4. North and South Coliseum Drive. USC has used approximately 150 parking spaces along North and South Coliseum Drive for each of its home football games during the 2008 through 2012 seasons. Such parking spaces are not included in the premises under the District/Commission Leases. In consideration of the other agreements set forth in this Term Sheet, District agrees to waive any claim against the Commission or USC for payment for the past use of such parking spaces. Any future use by USC of such parking spaces will be pursuant to separate agreement between the District and USC.

5. Documentation. The terms and provisions of this Term Sheet shall be documented by a formal amendment to each of the District/Commission Leases and other separate documentation. The District understands and recognizes that the A&R Commission/USC Lease will not become effective until the District, USC and the Commission (as applicable) also execute the following: (a) a non-disturbance agreement acceptable to the District, USC and the Commission with respect to the A&R Commission/USC Lease; (b) a lease agreement or option acceptable to the District and USC for the lease by the District to USC of the premises under the A&R Commission/USC Lease for the period after the expiration of the A&R Commission/USC Lease; and (c) a lease or other use agreement acceptable to the District and USC for the lease to or use by USC of certain parking facilities owned and controlled (or to be owned and controlled) by the District in Exposition Park, including the Commission Parcels.

6. Non-Binding. This Term Sheet does not constitute a legally binding commitment between the District and the Commission. This Term Sheet is only an expression of the general terms on which the parties are willing to prepare and negotiate formal documentation. Neither the District nor the Commission shall have any legal obligations except as set forth in any formal lease amendments or other documentation approved by each party's governing board and executed and delivered by both parties.